PD-ABK-167

Kenya PVO Co-Financing Evaluation

Final Report

16 January 1995

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Please find enclosed evaluation report for the contract number AEP-5451-I-14-2042-00, delivery order 14. The "Kenya PVO Co-Financing Evaluation" final report has been prepared by Management Systems International.

Please do not hesitate to contact us if there are any questions or comments.

Sincerely,

Roberta Warren

enclosures: 2 reports

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EXECUTIVE SUMMARY

This final evaluation of USAID/Kenya's PVO Co-Financing Project took place in the last quarter of 1994. A Management Systems International (MSI) team of three conducted the study.

The purpose of the evaluation is essentially threefold:

- to summarize and critically appraise the erfects, impact and relevance of the Co-Financing Project on the Kenyan NGO community;
- evaluate the effectiveness of USAID's management of the Project and the Project's "fit" within USAID's overall program;
- summarize the experience to date and propose options for continuing support for NGOs in Kenya through a follow-on Project.

Historically, NGOs have contributed significantly to the development of Kenya. Currently, it is estimated that six hundred bona fide national and regional Kenyan NGOs and dozens of international development and welfare agencies operate freely in Kenya. These organizations deliver a wide range of services across a broad range of Kenyan society. Private agencies provide up to 40% of Kenya's rural health care services and they play a prominent role in supporting the primary and secondary educational sector. To a lessor but still significant extent, micro and small scale enterprise, agriculture, community water supply, wildlife and natural resource management conservation are all development sectors driven in great part by private development organizations.

The 1991 elections signaled the beginning of a new political environment in Kenya, and since then new NGOs have formed to fill opening market niches where few had operated before. Assistance to street children, AIDS and STD prevention, human rights advocates, conflict resolution projects, development in isolated areas, women's rights, voter registration, and tribal interrelationships are all new areas opening to NGO and donor interest. At the same time, some of these new activities draw suspicious glances from competing political interests and undoubtedly some agencies with hidden agendas are forming.

This proliferation of NGOs is due to recent strategies of politically driven economic liberalization. Government services have diminished while Kenyans seek transformation of the country's political system. No matter how flawed the emerging framework, Kenyans claim that society is different now; they are enjoying greater political openness and tolerance than was the case just two years ago.

The PVO Co-Financing Project (Co-Fi) has the purpose of "assisting PVOs/NGOs in Kenya to increase their development impact by strengthening PVO/NGO institutional, implementation and beneficiary outreach capabilities."

Co-Fi was predicated on the recognition that NGOs in Kenya were an under-utilized resource. Many have been making key contributions to Kenyan development for generations and the newer emerging Kenyan NGOs represent a growing reservoir of capacity for further development and change in Kenya. They operate throughout the country and many run multisectoral operations. They tend to promote innovative, integrated approaches which are based on community participation, community contributions, and most deliver services directly to village end users at relatively low overhead costs.

USAID hypothesized that if private agencies were encouraged by means of a project which combined financial support of their service delivery with discrete capacity-building institutional strengthening strategies, the result would be a long-term net plus for Kenyan development.

Authorized on May 29, 1985, Co-Fi was then a seven year effort involving $12 million in AID financing committed to improving the development impact of the NGO sector in Kenya through direct funding of NGO activities and through the provision of various institutional development strategies.

Initially, Co-Fi was planned to be implemented by an NGO agency outside of USAID's doors. The effort to set up such an agency failed. In 1987, the Co-Fi project was redesigned and a Project Paper Amendment was signed in August 1988. The original objectives of the project remained unchanged, but the revised Co-Fi would be run within USAID. The principal components of the project are:

- A grant fund to support a broad range of service delivery and/or institutional strengthening activities of PVO/NGOs;

- An international training component that provides short-term international training that contributes to PVO/NGO technical, managerial or implementation capacity; and

- A technical assistance component to provide PVOs/NGOs with management, financial and planning advice.

Productive at last, the Co-Fi project became a growing controversy within the Mission. Co-Fi decision making and management requirements began to absorb considerable staff time for its implementation -- staff time of other technical offices, not just the Co-Fi office. Meanwhile, USAID began to rely more and more on NGOs as the means of choice for delivering services in support of Mission strategic objectives. The Office of Population and Health, and the Private Enterprise Office had long since discovered how critical US PVOs were to their service delivery goals. Now, they were discovering how important local NGOs will be to the sustainability of their future investments. Under their own initiatives, the technical offices began to provide institutional strengthening activities to their NGOs that were in some cases similar to those provided by Co-Fi. One of the original distinctive purposes of Co-Fi (institutional strengthening) began to be obscured. This situation continues to the present.

Meanwhile, the management of the Co-Fi continually improved, and its accomplishments mounted. To date, Co-Fi has supported twenty-nine NGOs. Five received IQC-provided management assistance. Twenty-two grants were made under Co-Fi, to eighteen NGOs. Three received more than one grant. Three of the grants were given through partnerships, which paired US PVOs with eight Kenyan NGOs.

Of the total of twenty-nine NGOs, six were US PVOs and twenty-three were Kenyan. Of the twenty-nine NGOs, eleven were specialists in single sector activities. Importantly and uniquely, eighteen operated multi-sectoral activities. These may be the only integrated, multisectoral projects the Mission has in its NGO inventory. The main sectors of operation of the grantees were: enterprise (13); agriculture (4); health (8); nutrition (2); water (1); and, environment (1).

Forty-three NGO staff (many nominated by the technical offices) were trained under Co-Fi in the U.S. and third countries in a wide range of technical and managerial subjects.

The MSI team found that most key objectives and indicators of the Co-Fi design documents had been met. Beneficiary outreach had been extended, sometimes dramatically, in all but four of the twenty-nine grants. Institutional capacity improvements were apparent in the operations of almost all organizations receiving grants since late 1991. Sustainability profiles of many of the agencies were enhanced; many agencies leveraged Co-Fi resources to pursue income-generating activities and some were able to use USAID resources to attract funds from other donors. Of eighteen NGOs receiving grants, thirteen are continuing the particular activity begun under Co-Fi well after Co-Fi funding ended. Only two project activities failed outright during implementation.

Based on its experience with the Co-Fi Project, USAID/Kenya is well positioned to formulate and implement a follow-on project. The time is propitious for a discrete continuing involvement with the NGO community as NGOs try to respond to the government's policy of reduction and privatization of public services. New activities in public advocacy, human rights, democracy and governance, experimenting with technical innovations, increasing the communications capacity of NGOs, training for social consciousness, are all risky endeavors. The political freedom they now operate with has been hard won and may be harder to hold. USAID's policy window on Kenyan society is greatly diversified by the integrated and multi-sectoral character of many of the Co-Fi clients. Stripping USAID of the multi-sectoral character of Co-Fi, or failing to develop further this unique quality of Co-Fi might result in a reduction of USAID as an important policy presence in the NGO sector.

The evaluation team's main conclusions are:

- Co-Fi had a significant and increasingly measurable effect on a wide range of NGOs;

- the design and rationale for the original Co-Fi project remains valid and relevant;

- the need for a project like Co-Fi with the Kenyan NGO community is increasing as Kenya faces political diversification and economic structural adjustment going into the last five years of the century; and,

- the way USAID supports NGOs under its Co-Fi and non-Co-Fi programs has always had considerable complementarity and considerable overlap. The differences between the two approaches have become less distinct over the past seven years.

Considering the limited human and financial resources presently available to USAID/Kenya, the team has outlined three options for a future Co-Fi initiative. This will be useful to project planners if a distinctive umbrella project for NGOs is to remain part of USAID/Kenya's portfolio.

OPTION 1: Outside Option

Approach: Co-Fi becomes a new program to build the competency of the NGO sector as a whole. This contrasts with the past strategy of building the competency of individual organizations. Such a program would focus mainly on multipurpose NGOs whose relationships are primarily with donors, other NGOs or government units. Co-Fi grants would support interventions that promote sectoral unity around common themes or promote unification and sharing among NGOs by funding inter-NGO coordination activities such as networks, communications innovations, or joint NGO projects.

Management Mode: The entire project would be implemented by a qualified U.S. or Kenyan NGO under a cooperative agreement.

OPTION 2: In-House, Free Standing Project Option

Approach: Define a persuasive objective for the project and notify the NGO community of the parameters, criteria and policies USAID would apply in project selection. Categories likely to be most productive would be grants for consortia or networks, grants for NGOs working on joint or collaborative projects, or grants to regional or local multi-purpose NGOs working with local communities. Some technical, management assistance and training resources would be focussed on grantees or organizations likely to later qualify for grants under the project.

Management Mode: Continue the Co-Fi project as presently composed. The PVO Co-Fi Unit of three Personal Service Contractors and a secretary would continue to use the methods for NGO support begun in the present Co-Fi project: a grants fund, a training fund and an Indefinite Quantity Contract with one or more private firms and/or the provision of management assistance within grants (allowing NGOs to use grant funds to retain themselves the required assistance).

OPTION 3: In-House Technical Office Option

Approach: Coordinate Co-Fi's resources more closely with the needs of the technical offices. This scenario would see Co-Fi resources more committed to supporting USAID's technical office operations than at present. Such a project would still sponsor worthy NGO service delivery

efforts and/or assure that participating NGOs receive institutional strengthening assistance. Established or emerging NGOs, or single-sector NGO consortia or groupings not included in standard, focussed programs of USAID's technical offices could then access funds from technical offices through Co-Fi.

Management Mode: The "In-House Technical Office Option," would require an individual (PSC) and a secretary in the Projects Office available to work closely with USAID Technical Offices as funds are subdivided between Co-Fi and technical offices for worthy NGO support activities.

Each option has advantages and disadvantages. The most attractive option from the point of view of flexibly meeting the institutional needs of a wide range of NGOs in Kenya is Option 1. However, embarking on such a new course and setting up such an intermediary may be militated against by the resource circumstances the Mission finds itself in.

If the Mission decides it wants to continue an NGO umbrella program in its portfolio, Option 2 or 3 would be preferable if the Mission desires to operate programs "of and for" NGOs and retain its high level of involvement with the NGO community. If so, Option 2 or 3 should be pursued with vigor and dispatch. Option 3 offers the most attractive alternative to the technical offices. Both options are assuredly "implementable" given the Mission's capabilities built during the implementation of the Co-Fi Project.

BASIC PROJECT IDENTIFICATION DATA

1. Country: Kenya

2. Project Title: Private Voluntary Organization Co-Financing Project

3. Project Number: 615-0236

4. Project Dates: 1988-1995
   a. First Project Agreement: 5/29/85
   b. Final Obligation Date: 4/30/95
   c. Most recent Project Completion Date (PACD): 4/30/95

5. Project Funding

a.	AID bilateral Funding	US$ 7.379million
b.	Other Major Donors	-
c.	Host Country Counterpart	-
	Total	US$ 7.39million

6. Mode of Implementation: Direct Mission Oversight

7. Project Designers: B. Macdonald, Derek Singer, Nick Mariani

8. Responsible Mission Officials: (full life of project)

Mission Director(s):

Steve Sinding
John Westley

Project Officer(s):

Derek Singer
Marcia Birnbaum
Stafford Baker
Steffi Meyer

9. Previous Evaluation(s): 1991 Mid-term Evaluation

A. INTRODUCTION AND BACKGROUND

A.1. USAID/Kenya Strategy and Use of PVOs/NGOs

At present, USAID/Kenya's bilateral program is designed to encourage broad-based economic growth and sustained development. The program concentrates resources on three strategic objectives:

(1) reducing fertility and incidence of HIV/AIDS;

(2) increasing agriculture productivity and farm incomes; and

(3) increasing small private enterprise production and employment.

In addition to these three Strategic Objectives, a new project to strengthen democratic institutions and promote better governance and accountability is being added to the overall program.

In FY 1994, approximately 53% of the development assistance budget supports population and health, about 27% agriculture activities, 12% small-scale enterprises and nongovernmental organizations and the remaining 8% is slated to go into the new democracy and governance activity.

One of the hallmarks of the program is the extent to which PVOs/NGOs are involved. USAID/Kenya implements a major portion of its development assistance through such agencies: 80% of USAID/Kenya disbursements pass directly to PVOs and NGOs and private contractors.

The Mission's largest user of NGOs/PVOs is the Office of Population and Health (PHD). Its portfolio includes seven direct grants or cooperative agreements with PVOs/NGOs, primarily designed to provide community-based health services, and five contracts with organizations which largely support such PVO/NGO implementors.

The portfolio of the Office of Private Enterprise Development (PED) also includes implementation through NGOs. The Kenya Rural Enterprise Project (KREP) is a Kenyan NGO which provides credit directly to small businesses, researches and develops new ways to promote small business growth, and acts as an "umbrella" or intermediary agency, to assist NGOs and community-based organizations involved in making loans to microenterprises. At present four NGOs operating credit schemes in rural Kenya are "on-lending" KREP resources.

In addition, the Office of Private Enterprise Development provides management assistance to small businesses and NGOs working with loan programs through another NGO -- the Kenya Management Assistance Program (KMAP).

Of USAID's technical offices, the Office of Agriculture has the least interaction with NGOs. Its portfolio includes only a single NGO project. The Conservation of Biodiverse Resources Project is run through the Kenya Wildlife Service and is designed to use capable NGOs and community-

based groups to increase economic benefits to communities located around Kenya's park and wildlife reserves.

A.2. The PVO Co-Financing Project.

The subject of this evaluation, the PVO Co-Financing Project ("Co-Fi"), has the purpose of assisting PVOs/NGOs in Kenya to increase their development impact by strengthening PVO/NGO institutional, implementation and beneficiary outreach capabilities.

Co-Fi was predicated on the idea that PVOs/NGOs in Kenya were an underutilized resource. Many were already making key contributions to Kenyan development. Newer, emerging Kenyan NGOs were thought to represent a reservoir of capacity for further development and change in Kenya. PVOs/NGOs operated throughout the country and were engaged in a wide range of development and social welfare projects, including multisectoral operations. Many of these promoted innovative, integrated approaches to development which included community participation, community contributions. They tend to deliver direct services relatively cost effectively and with low overheads.

USAID hypothesized that if such agencies were encouraged by means of a project which combined financial support of their service delivery with capacity-building forms of assistance (institutional strengthening), and did so in ways designed to respond to their needs, not that of the donor, then the result would be a long-term net plus for Kenyan development.

Authorized on May 29, 1985, Co-Fi was to be a seven year, $12 million effort, aimed at improving the development impact of PVO and NGO programs in Kenya through the direct financing of NGO development activities and the provision of various forms of institutional support.

Initially, Co-Fi was envisaged as an activity to be implemented by an NGO. In June 1985 a Cooperative Agreement was signed with a local umbrella agency, VADA (Voluntary Agencies Development Assistance). An unsuccessful effort was made to establish VADA's procedural and institutional base for operating the project. VADA managed to deliver a limited amount of training and advisory services, but no sub-grants to PVOs for development activities were ever made. In December 1987 the arrangement with VADA was terminated.

USAID staff then developed a revised project implementation plan and a Project Paper Amendment was signed in August 1988. The revised Co-Fi would be run by USAID itself. The original objectives of the project remained unchanged:

> GOAL: "Increase the incomes, quality of life and self-reliance of the rural and urban poor whose development needs are otherwise inadequately served."
>
> PURPOSE: "Increase the development impact of PVO activities in Kenya."

In May 1990 a modified Logical Framework was formally approved along with an enhanced monitoring and evaluation plan. The new objectives:

GOAL: (As above)

PURPOSE: "Assist PVOs in Kenya to increase their development impact by strengthening their institutional, implementation and beneficiary outreach capabilities."

The 1990 changes did not alter the principal components of the project which remained

- A grants fund to support a broad range of service delivery and/or institutional strengthening activities of PVO/NGOs;
- An international training component designed to provide short-term international training that can contribute to PVO/NGO technical, managerial or implementation capacity; and
- A technical assistance component to provide PVOs/NGOs with management advice.

Considerable flexibility was built into Co-Fi's *modus operandi.* Any or all of the three components could be used with any PVO/NGO which showed potential to benefit and could meet USAID's eligibility requirements.

Co-Fi's "open design" and its ability to react to ideas from the NGO community with project assistance in a range of sectors resulted in a diversified portfolio of activities. Such a project did not "fit" under any single of USAID's technical offices. It was therefore managed first from the Human Resources Division of the Mission (until 1991); from then to the date of this evaluation, under the Office of Projects. A Project Review Committee made up of representatives of technical offices, the Program Office, Controller, and Regional Legal Advisor (RLA) oversaw the selection of Co-Fi activities.

A.3. Purpose and Method of Evaluation

The original Scope of Work for this evaluation is included as Annex A. The purpose of the evaluation is to sum up and critically appraise:

- the effects and impact of the Co-Financing Project on the Kenyan NGO community and the relevance of the Project to the needs of that community;
- the effectiveness of USAID management of the Project and the Project's "fit" within USAID's overall program; and
- the relationship of experience to date to options for continuing to support NGOs in Kenya through a follow-on Project.

The evaluation was conducted over a six week period during October and November 1994. An earlier mid-term evaluation was conducted in 1991.

The evaluation team consisted of Edward Glaeser, Robert Russell and Daudi Waithaka - from Management Systems International (MSI); Messrs Glaeser and Waithaka had also been involved in conducting the mid-term evaluation. Mr. Waithaka had recently completed an impact study of the Co-Fi Project, the results of which were used in the completion of this evaluation.

The methodology of the evaluation included:

- archival research and the review of grant files/evaluations, and completion of summary checklists for each;
- interviews with individuals involved with the project or knowledgeable about NGOs including: staff from USAID, individuals from the firm holding the management contract to support Co-Fi, the GOK NGO Bureau, the recently formed NGO Council, and representatives of selected other donors (See Annex B for list);
- interviews with leaders and/or key staff from 18 of the twenty-nine NGOs directly benefitting from the Project;
- field visits to the sites of five agencies with ongoing grant activities;
- facilitation by the MSI team of a one day collaborative planning workshop session between NGO and USAID staff; and
- facilitation by the MSI team of a session with senior USAID staff.

Questionnaires used in the course of the study are in Annex C and notes from the collaborative planning workshop between NGO and USAID staff are in Annex D.

B. CO-FI PROJECT ACCOMPLISHMENTS AGAINST OBJECTIVES

B.1. Characteristics of NGOs Supported by the Co-Fi Project

Number of PVOs supported

Co-Fi assisted 29 NGOs, of which five were supported with technical assistance (Manor House, Partnership for Productivity, Mkomani Clinic, Salt Lick and SAIDIA). Technical assistance was provided by two accounting and management consulting firms. Under these packages, four beneficiaries were assisted to set up management and financial systems and their personnel were given the necessary on-the-job training. The fifth beneficiary contracted for its own technical assistance from within their grant budget.

Twenty-two grants were made under Co-Fi to 18 NGOs. Three received more than one grant, and another three of the grants were given through partnerships which paired US PVOs with Kenyan NGOs. These Kenyan NGOs could not easily meet the criteria for registration with USAID and found it more advantageous to approach the Co-Fi Project through the more experienced and better placed US PVO partners. The three partnerships involved eight Kenyan NGOs. In total, the grants activities of the Project benefitted 29 NGOs including the intermediary partners.

U.S./Kenyan PVOs supported

Of the total of 29 NGOs supported by Co-Fi, six were US PVOs and 22 were Kenyan.

NGOs' sectoral activities

Eleven of the beneficiary PVOs were specialists in single sector activities. Eighteen operated multi-sectoral activities. The main sectors of operation of the grantees involved as shown in Table 1.

Table 1: NGO Sectors

Sector	Number of NGOs
Enterprise	13
Health	8
Agriculture	4
Nutrition	2
Water	1
Environment	1
TOTAL	29

Geographical coverage

NGO activities covered many areas of the country, with 17 operating throughout districts or provinces and twelve operating in single areas or specific locations.

Life spans of participating PVOs

Three of the NGOs have been in existence for over 70 years, with the oldest (the YWCA) established in 1912. The youngest participating NGO is Tenwek, which was established in 1989. Eleven of the NGOs began as branches of other NGOs: seven as branches of international NGOs and four as branches of local NGOs. The rest were established by groups of donors, churches or individuals.

B.2. Purpose Level

Scope of Work question: Did the Co-Fi assist NGOs to increase their development impact by strengthening their institutional, implementation and beneficiary outreach capabilities? If not, why not, for what key reasons?

The Project's Purpose is reflected in the above questions from the Scope of Work for this evaluation. In judging the responses we have used the Logical Framework's End of Project Status (EOPS) and output indicators as a guide. Each EOPS and output indicator is stated in the form of a question below, followed by MSI's findings. Wherever percentages were included in the logical framework, these were incorporated into the question at the beginning of each section.

Findings:

Did the number of people benefiting increase?

With the exception of two grant recipients, TechnoServe and SAIDIA, all grants showed an increase in number of beneficiaries served.

Of the two that showed deficiencies, TechnoServe's project for mala milk production proved to be socially unworkable. The project design called for the creation of six employee-owned small companies, shares to be held by the milk producers themselves. The design was apparently too complex, and using farm producers to be the operators of milk production units as businesses never became viable.

SAIDIA's project in the Samburu District saw a reduction in its beneficiaries due to the extreme drought conditions that forced the pastoralist clients to sell productive assets or migrate out of the project area. The result was that the membership in the community-based health insurance scheme diminished. However, the activity is still operating and SAIDIA has recently reported that clients are returning to the project area and are expected to reach and probably exceed pre-drought numbers.

Chogoria Hospital's Co-Fi sponsored activity was not designed to significantly increase beneficiaries directly. Co-Fi funds were intended to develop income for its operational costs through construction of a hospital ward for paying patients and a profit-making staff/patient/family canteen. While the number of beneficiaries did not appreciably increase, the Hospital has gained a greater command over their economic survival and is now rendering higher quality services to the beneficiaries already using their services. In a broad sense, the Hospital's client base has doubled during the last 5 years though not directly due to the Co-Fi presence.

Table 2 shows the changes of beneficiary levels for 12 of the NGOs included in our study.

Table 2: BENEFICIARY INCREASE/DECREASE DURING GRANT PERIOD

PVO	Grant Period	# Increase	% Increase
VITA	8/90-7/94	+2094	+170
KFFHC	9/89-8/92	+8,000	+40%
Pride	8/91-8/93	+276	+51%
Chogoria	9/89-8/91	none	none
SAIDIA	4/93-3/95	+166	+80%
YWCA	9/91-8/94	+1437	+359%
THI	8/92-4/95	+350	+11.7%
WV	9/91-8/94	+1948	+5.5%
Plan	9/89-8/91	+5,000	+25%
CRWRC	5/93-3/95	+6,600	+70%
TN	4/89-9/90	-220	-34.6
CHAK	8/92-4/95	+7	+58%

Many positive beneficiary increases are indicated, with two grant recipients improving their beneficiary numbers on orders of hundreds of percents. The Salvation Army project increased their beneficiary numbers by 80% over pre-grant numbers: under the project, 17,500 women attended 4,500 health education sessions, and 22,600 home visits were made.

For the CRWRC, institutional strengthening was the goal, with an increase in beneficiaries expected over a longer period. However, under the Co-Fi project they feel they will see an increase of about 70% in beneficiaries being served by the three local NGOs which are receiving institutional support under the project.

Did 75% of the NGO projects financed show improved management, financial and implementation systems as a result of involvement with the Co-Fi project?

Yes. Almost every NGO visited demonstrated some level of improved managerial and financial accounting as a result of their interaction with the Co-Fi project. Predictably, large well-established PVOs did not need Co-Fi's assistance as much, their own managerial skills being fairly well developed. They tended to use their Co-Fi funds to improve the capacity of their smaller client groups closer to the village level. Kenyan NGOs also focused attention on client groups, but they were very concerned as a whole about improving their financial capacities. Some emerging NGOs (like Salt Lick) are still very much in the process of learning about management systems and accepting the view that their operations are in fact businesses, needing to understand and emulate many of the strategies and behaviors of commercial corporate entities.

A review of the monthly financial and quarterly narrative reports showed a broad improvement over time of reporting habits. In a few cases, this was a result of the use of the IQC to improve or establish management or financial procedures. Interviews with NGO leaders disclosed many cases in which financial and managerial improvements took place as a result of direct feedback from the Co-Fi staff in reaction to regular quarterly reports or feedback given during field and office staff visits.

Were 75% of NGOs using evaluation in project planning and implementation?

Yes. The Co-Fi project exceeded this target by a wide margin. Almost every NGO used some kind of evaluation and base line data collection in their overall project planning and corporate strategic thinking. Project proposals funded by Co-Fi showed consistent but varying degrees of sophistication in the use of prior studies or evaluations as justification for their project proposals. Some of the Co-Fi project second cycle grants (SAWSO, TENEWK, KFFKC, PLAN) were based on data collected under the first Co-Fi project period. All of these demonstrated a good ability to use prior experience as foundations for changed or new project concepts.

Did 50% of the grants financed continue activity after AID funding terminated or, if the project is still underway, have convincing intentions and capacity continued?

Yes. This EOPS target was clearly surpassed. The evaluation team found a high level of commitment on the part of most of the Co-Fi NGOs to continuing the initiatives started under their Co-Fi projects. Overall, our study showed that of the 18 NGOs receiving grants, 13 were continuing the activity initially begun under Co-Fi, two were relatively recent grants and whether activities will continue remains speculative, one project activity succeeded but due to a changed NGO strategy was abandoned. Only two project activities failed outright during implementation.

Table 3 contains an assessment of continuing activity or plans for continuing activity of grant projects.

Table 3: ASSESSMENT OF CONTINUED NGO ACTIVITIES

NGO	Continued Activities	Comments
TechnoServe	No	The Mala Milk project proved to be untenable and was dropped by TechnoServe.
SAWSO	Yes	Project in strengthening its community based organizations continued with a phase II grant.
KFFHC	Yes	KFFHC has continued its project with a phase II grant from Co-Fi.
PLAN	Yes	A phase II Co-Fi grant designed to insure the activities' continuation has been made.
TENWEK	Yes	A phase II Co-Fi grant will allow TENWEK to use this period to find resources to continue its activity.
CHOGORIA	Yes	The hospital continues to build new income generation activities. A petrol station is being built.
AWF/ Uvumbuzi	No	The original partnership failed to produce results and the project failed during initial implementation.
VITA	Yes	Vita's own final evaluation of their Co-Fi activity calls for a continued commitment to institution building with CITC and continued efforts to build their entrepreneurship programs.
FSK	Yes	UNDP has continued FSK initiatives started under Co-Fi, and activities such as fresh produce marketing, and pastoralist research have been added to FSK's portfolio.
YWCA	Yes	YWCA is continuing its small enterprise and credit training service to women clients.
CID/PRIDE	Yes	Pride continues to expand its credit programs, in part with funds from USAID through KREP.
World Vision	No	WV's child survival project is not continuing as it decided to consolidate its operations and not continue its programs in the District where the Co-Fi activity operated.
TOTOTO Home Industries	Yes	Institutional development and consulting services made possible under Co-Fi will continue; these and other services available on a fee-for-service basis continue to be developed.
CHAK	Yes	Elements of the Co-Fi funded activity have proven to be too expensive for the general public but the NGO is still adamant about finding an effective way to subsidize it histopathology services.
SAIDIA.	Yes	Funds put into an endowment by substituting Co-Fi funds for another donor's contribution has enabled SAIDIA to insure a small but steady income.
CRWRC	Undecided	Project is still bring implemented but early indications are positive for continuation of institution building of partner agencies. CRWRC has a policy of ten year commitments to partner agencies.
CARE	Undecided	Sustainability of rural employment (PIGAD) groups not yet established.
Salt Lick	Yes	Plans to continue slowly developing but promising institution building activities with requests to USAID and other donors.

Were productive linkages between NGOs, GOK, and the donor community established and operational?

The June 1994 Co-Fi Project Impact Study commissioned by USAID reported that 81% of participating NGOs indicated that they had not benefitted to any significant degree from the creation of new partnerships with other NGOs during the time of their relationship with Co-Fi. However, the evaluation team did hear of numerous linkages made possible by Co-Fi. Some trainees sent to the US under Co-Fi's auspices reported useful continuing relationships with staff of US PVOs met during training. Many actual partnerships among NGOs were fostered by Co-Fi: Pathologists Overseas with CHAK, Uvumbuzi with AWF, YWCA with World Education, VITA with the CITCs, CRWRC with three local NGOs. FSK met Tenwek staff during a Co-Fi workshop and that led to the former sponsoring a course at Tenwek and later being asked to formally evaluate Tenwek's agricultural programs. There were several examples of NGOs involved with Co-Fi sharing training materials and information on technical matters. SAIDIA and SALT LICK have begun discussing joint programming in Kenya's arid regions.

The four IQC workshops run by USAID on strategic planning and management, "knowing your grant", monitoring and evaluation, and sustainability provided significant opportunities for networking between project NGOs.

The evaluation team noted that almost all of the project's grant recipients report a degree of increase in inter-connectedness with other NGOs and an increased inventory of donors (see next section) or potential donor agencies on their corporate horizon. Rural-based NGOs reported less contact with other rural-based NGOs in their areas than urban and city-based NGOs made in their environments.

There was a significant expression of need on the part of NGO leaders for more focus on networking activities as a formal part of USAID's strategy with NGOs. They felt that in the future, failure to organize and carry out networking activities within the purview of the Co-Fi grant recipients would be a significant loss of opportunity for them. Many suggest the creation of an NGO newsletter for and by the USAID NGO family.

Did beneficiary NGOs emerge with a diversified resource base?

Almost all of the Co-Fi NGOs finished their projects with a wider donor inventory than when they started, but it is unclear if this is a result of their participation in the Co-Fi project, or from the natural tendency of the institution to grow into a more complex entity as time goes on. Some undoubtedly did succeed in finding other donor financing as a result of the implementation and management capacity installed by Co-Fi. Examples of enhanced capacities to raise funds from other donors included:

- Ten PVOs reported that as a result of their involvement with the Project, their capabilities to raise funds from other donors were increased. Six of those said that

USAID has some of the most difficult and thorough conditions and, if a PVO managed to get funding from USAID, then its credibility was greatly enhanced.

- Two cited training on how to do better proposals. THI, for example, followed the USAID guidelines to write a proposal which was immediately funded by CIDA after many prior attempts to get funds from CIDA had failed.

- One said that networking as a result of the Project's efforts made it possible to obtain information on another donor from whom funds were successfully raised.

- One cited the fact that after USAID had agreed to fund a portion of its project, it became considerably easier to obtain the rest from other donors.

- Staff training in financial management was cited by five PVOs as having contributed to improved management of their funds.

Meanwhile, enhanced capacities to generate funds from non-donor sources were also reported:

- Six PVOs cited the provision of capital by the Project as having enabled them to create or improve services for which they charge the users: in one case a tractor for hire; in two other cases medical services; and in yet another, two expanded farmer and community services.

- In two cases, the involvement of the Project contributed to their being better able to recognize new opportunities for generating funds internally from their services. Mkomani Clinic recognized the potential for an ambulance for charge and YWCA improved their branches' capacities to attract potential users of their hostels.

- THI has a consultancy unit for training which is offered for hire by other PVOs at a reasonable (but surplus-generating) fee. The Project helped THI staff to reorganize the management of this unit and hence increase its effectiveness and earnings.

- One PVO stated that as a result of training given by the Project to the PVO's staff, they were better able to design and implement strategies for increasing the communities' contributions to their Projects. This had a positive effect on the sustainability of the projects and created savings for the PVO.

- FSK bought a tractor to earn income, and Chogoria Hospital constructed a canteen that is currently earning about Shs 50,000 a months profit. SAIDIA's endowment fund was set up because funds from the Co-Fi project relieved financial pressures on their operational budget.

In a broader sense every NGO benefited from a more diversified corporate resource base in the form of improvements in staff skills and management performance delivered through:

- foreign and (in some cases) local in-service staff training,
- requirements for financial accountability and cost tracking from the experience of monthly voucher preparation,
- the four IQC workshops,
- the project's encouragement of base line surveys and data collection as integral parts of project planning, management and implementation.

B.3. Output Level

Did 60% of grantees have a system for collecting and assessing base line data and was data collected by the end of year one of their grant support?

Yes. Almost every NGO had some system of measuring pre-project base lines or for collecting field implementation status. While some NGOs reported that they were not satisfied with their data collection or the base line data produced early on in their projects, all but one (Chogoria Hospital) indicated by end of project that they had a wide variety of evaluation and baseline data sources. Tenwek reported that its baseline data was of little use, and Saidia reported that its first attempt of grant-supported baseline data collection proved impractical. Saidia has since executed a second baseline survey funded within the Co-Fi grant that they are now using regularly. All of the Co-Fi projects that have sought a phase II grant demonstrated significant use of their prior project's EOPS.

Baseline and data sources and strategies vary enormously from area to area and NGO to NGO. One NGO reported no fewer than 11 discrete data collection, narrative or anecdotal streams of information, and some as few as one.

While most have data collection systems, accuracy does not come easily. NGOs report that data collection is one of the most difficult areas of NGO operation due to two reasons. First, rural beneficiaries are usually suspicious of queries about their income, family relationships or life style. As many are illiterate, data collection is highly labor intensive, requiring a lot of staff time in the field on a one to one basis with beneficiaries. Just getting staff to the field is difficult and expensive. Secondly, when data is collected, many NGOs do not have the staff skills or in the case of many smaller NGOs, the managerial system to integrate and interpret data into field implementing behaviors or management objectives. Having a data collection system means that only that part of a total data usage and application package may be in place.

Did 60% of NGOs have USAID acceptable financial management systems by the end of the first year of AID assistance?

Yes. None of the NGOs would have been given grants if their financial system had not already been judged as having, or being capable of developing, the capacity to manage USAID standard financial accounting. One NGO (Salt Lick) was given special orientation by the USAID Controller's office on USAID procedures, bringing their accounting skills up to USAID accepted standards. The most recent data available on the practices and capacity of NGO accounting practices is displayed in Table 4 on the following page.

No other single feature about the Co-Fi project drew as much commentary from the NGO leaders interviewed as the financial accounting requirements of USAID. USAID's requirements were widely read as the most difficult and time consuming to comply with, and as it took so much time and energy, was seen to be inordinately disruptive to a small NGO's management profile. If the NGO was small, and had multiple donors, they found each donor's different reporting time frames, budgeting formats, reimbursable policies, discretionary thresholds, auditing requirements all made for a rather difficult accounting task, with USAID's requirements being the most difficult of all. There was an up side to this. While complaining of AID's lack of interest in the NGO's organization-wide accounting problems, they all conceded rather quickly that the AID system was a better teacher than the others. Once the accounting staff mastered AID's requirements, other donor accounting requirements seemed easy. All NGOs grudgingly appreciated the learning experience that AID's accounting practices represented.

Table 4: FINANCIAL MANAGEMENT AND CONTROLS

	NR	YES	NO	RES-PONDED
1. Agency has written set of financial regulations	2	13	1	14
2. Agency has sufficiently qualified staff to maintain accurate financial records	2	12	2	14
3. PVO has necessary accounting tools to record all transactions	1	9	5	14
4. Financial transactions are recorded up to:	2			
End of previous week		2		
Fortnight		0		
One month		7		
One quarter		5		
1 year		0		
5. Final audited accounts for the previous year are produced within:				
1 month of year				
2 months of year		2		
3 months of year		3		
6 months of year		6		
12 months of year		1		
		2		
6. Does your PVO undergo regular external audits?	2	14		14
7. Does your PVO perform any internal audits?	3	8	5	13
8. Did project assist your PVO to establish/improve your financial systems or controls	3	9	4	13

NR: No response.

N.B. Subgrantees did not have qualified personnel to maintain financial records, the necessary accounting tools to record all transactions and final audited accounts for previous year were available within 3 months.

While most NGOs could demonstrate fairly stringent reporting manuals and guidelines for formal fiscal procedures, some also reported that their accounting procedures changed from donor to donor in keeping with the demands and standards of the individual donor agency.

To what extent did grant funds allow NGO staff to be trained in local programs, NGO arranged programs (OJT, observational visits, seminars, workshops)? Were at least five participants financed with Co-Fi funds receiving US and third-country training each year?

On an average, 7.6 individuals were trained in the US or a third country every year, exceeding project objectives of 5 a year.

The NGOs have reported that they recognize that training in almost every sector of management discipline is the key to their future as improved corporate entities. Some suggest that training could have been more locally based and could have been offered in more depth, giving skill development exposure to a greater number of employees in each NGO. Their interest in a broader training exposure shows their identification of management and field implementing skills as an area of corporate weakness that needs priority attention.

Annex G provides details of participant training provided under Co-Fi up to October 1994, and the costs of the training. The project sponsored 46 members of NGO and PVO staff to training events in U.S., Swaziland, Thailand, and Nigeria.

Co-Fi training had been found by the institutions that received training support to be very useful. There were some very specific observations on some of the short comings. One trainee complained that due to a communications problem, he arrived in Washington DC with no one to meet him, no hotel booking available and no money. The USAID Duty officer came to the airport and took him home for the night before he was passed on to the proper training authority the next day.

A number of individuals returned from their foreign training and then left their organizations for different or better jobs in the NGO sector. As of June of 1994, 11 trained participants of the total 39 had left their organizations. Many NGOs requested other training opportunities, not available through the IQC training and workshops mentioned elsewhere. Finally, few NGOs used or knew about other Co-Fi project resources for in-service or networking training activities.

The cost-effectiveness of foreign training was questioned by some NGOs. Average cost per trainee in the U.S. is $10,211, and in third countries, $5,940 for an overall average of $9,773. Several NGOs suggested that the training facility be continued, but combined with a program bringing training experts into Kenya to train larger groups of individual NGO staff. Broader opportunities for skill development within each participating NGO may result in more institutional development taking place than training one person in isolation.

Was one project workshop held each year?

Yes, except for year one. The project design called for one major training activity for the Co-Fi NGOs per year. Four IQC training events were held during the last five years. As of 1991 and thereafter, at least one per year.

Were at least three work orders for use of institutional contractor prepared and implemented each year?

No. The use of the IQC facility was repeatedly mentioned as a complicated and time consuming process. While some NGOs were very pleased with the performance of the IQC contractor as they provided services, others were not. It is clear that the delivery of special technical services to NGOs has been a valuable source of institution building and skill development. It is important however, that the Co-Fi project find a more time efficient way of delivering consulting services to its project partners.

Conclusions: The Co-Fi project met or exceeded its targets and projected outputs in every category.

Almost all of the NGOs participating in the Co-Fi project confirm that their involvement with USAID through this project has resulted in improvements in the quality of their project outreach services, and expansion of new services into new areas. Many NGOs used the funds to either undertake institutional development that no other donor would address, or to start activities they had delayed due to lack of financial capacity.

Recommendations: The Co-Fi project has proven its ability to meet the objectives of increasing the number of beneficiaries AID funding reaches while developing the institutional capacity of a wide variety of NGOs operating in almost every part of the country.

With close attention to project weaknesses listed elsewhere in this report, the AID Mission should consider continuing its Co-Fi institutional development services to the NGO community in Kenya.

C. CO-FI PROJECT MANAGEMENT

C.1. Constraints and Challenges

Scope of Work Questions:

What were the key constraints to Co-Fi project implementation and how were these dealt with?
What were the key management challenges for the project how did these affect implementation?

Findings:

VADA phase

The project was initially designed to operate outside of USAID under a collaborative agreement with the Voluntary Associations Development Agency (VADA). VADA was a newly created organization specifically designed with the Co-Fi implementation as its main work. VADA spent three years building its capacities and establishing its management systems. It received many proposals, but by 1988 when it became clear that the agreement was not going to work, it had not disbursed a single grant despite having spent about $ 900,000.

Among the reasons why the VADA agreement failed to work while KREP which was established at the same time for a similar role but focusing on private enterprise NGOs succeeded were the following:

Constraint: Orienting Kenyans into USAID Systems and Requirements. VADA was run primarily by Kenyans with one American as an informal adviser. The Kenyans were not very familiar with the requirements and systems of USAID. It therefore took them much longer to learn these and set up the necessary systems. This process took most of the first year and therefore delayed the process of project take-off.

Constraint: Cooperative Agreement Conditions. The co-operative agreement provided for a replication of USAID systems without sufficient flexibility. VADA was expected to operate as though they were an extension of USAID -- an expectation which defeated the purpose for which the outside mechanism was created in the first place, ie. to allow for greater flexibility and innovative approaches in dealing with the NGOs.

As a result of the restrictive nature of the cooperative agreement between VADA and USAID, serious difficulties arose between the two agencies with VADA feeling over-policed and USAID feeling that VADA was not making sufficient attempts to comply with the terms of the agreement.

The agreement between the two organizations was revoked in 1988 and USAID decided to run the project in-house as the PVO Co-financing project.

In comparison, the implementation of KREP was contracted out to World Education, an American PVO with a proven track record in dealing with USAID. World Education seconded its staff to initiate the organization. The staff were familiar with the requirements of USAID and the fact that the contract allowed them flexibility to innovate and experiment facilitated the establishment of an enabling climate within which the organization could grow. Senior Kenyan staff were gradually initiated into the organization as the Americans handed over increasing responsibilities. This allowed for the creation of confidence and trust between the two groups and by the time the last American left six years after the organization was established, KREP had a firm foundation. The fact that KREP only focused on one sector (enterprise) greatly assisted the organization's establishment.

ii. The Co-Fi Phase

Having decided to run the project internally, USAID recruited one American PSC, one financial analyst and a secretary. In 1990, a full team of four Kenyans began to run the project under the supervision of American personnel. Finding the right Kenyans, orienting them and preparing them took place in the period 1989/90. The project had to be redesigned and systems of operation put in place in the same period. The first grants were made in 1989.

Constraint: The NGO Registration Process.

Finding: Running the project internally meant that the potential grantees would have first have to be registered with USAID as PVOs. Among the requirements for an organization to qualify for registration as a PVO are the following:

- Tax exemption certificates. These are not always easy to obtain from the government. They were particularly difficult to obtain in the period when the government felt pressured for change--NGOs were either indirectly linked to or participating directly in advocacy. In addition, some NGOs were asked to provide bribes to those charged with the responsibility of issuing these certificates.

- Audits of previous years. While this is in itself not difficult to do, some of the NGOs had used accounting firms which in the opinion of USAID were not qualified to do audits. Most however did not have problems meeting this condition.

- Evidence of existence of board and organization. This posed some problem for emergent NGOs that had good ideas but lacked organizational capacities. While some NGOs could easily provide a list of names of board members and minutes of some previous meetings, they did not have structures that met the criteria for viable organizations.

- Evidence of registration with the Kenya Government. This did not pose much of a problem initially but in the past year and with the introduction of a new law requiring all NGOs to reapply for registration, some NGOs might have faced a problem as the NGO Co-ordination Bureau was rather slow in processing the registration applications.

If any of the conditions listed were not met then the particular NGO could not be registered and hence could not qualify for direct assistance. After being registered, the NGO is required to renew registration annually by providing financial and narrative reports and a statement to the effect that the conditions under which they were registered had not changed. If the registration lapsed, then the NGO would have to undergo the whole registration process again in order to qualify for assistance. NGOs generally apply for registration with USAID in order to get grants -- if they either did not get the grants or had grants whose life had come to an end, many did not bother to renew their registrations. As a result, the pool of registered NGOs tends to remain small. Currently there are only 18 Kenyan NGOs on the USAID register.

Conclusion: The absence of a large pool of registered NGOs impeded Co-Fi's choice of NGOs and therefore the speed with which it could disburse grants.

Constraint: Shortage of Staff in the First and Last Year

Finding: The current Manager of the project was hired in 1990. The other key staff did not come on board until later that same year. During that period, a lot of new applications were received by the project in addition to the ones that had come over from VADA. In 1993-94, the last year of the project, two key staff moved from the project to other USAID offices--one to private enterprise and the other to the Projects Office. Once again, the Manager, with only the secretary, was left to run the project. This also happened to be the period when the project was winding up its current phase and had a lot of grants in the pipeline.

Conclusion: The lack of full staffing not only overloaded the project but also hindered progress in the implementation process.

Constraint: Number and Quality of Proposals Received

Finding: Since 1989 to-date, the project has received a little over 1,500 requests for grants. Many of the requests were only letters. Of those, 112 concept papers and proposals were considered serious enough to merit some attention. Seventeen of those came from US PVOs while 95 came from Kenyan NGOs. Forty four of those were turned down because they were of such poor quality, even though in some cases the ideas behind the proposals were excellent. Some NGOs persisted and improved their proposals but most of the 44 simply dropped out.

Table 5 below shows the numbers of requests received and those that eventually received grants. As can be seen in the table, a lot of interest was generated by the project from a wide variety of NGOs and community groups. A majority of them were clearly not qualified for consideration.

Of those who merited consideration, a large number could not meet the criteria for grants for various reasons: unsound or poorly thought-through ideas; inability to meet registration requirements; lack of capacities to implement the proposed plans; and, lack of perseverance to pursue the processes of concept paper and proposals refinement.

Table 5:-- Requests for Assistance to Co-Fi & Eventual Grants

Form of Request	Number
Application letters, concept papers and proposals	1,500
Serious concept papers/proposals	112
US PVO concept papers/proposals	17
Kenyan NGO concept papers/proposals	95
Total Grants given	22

Some NGOs went through the processes and dropped out as they were nearing the grant approvals, which cost Co-Fi a lot of time and energy. Below are some examples of NGOs that had some very good ideas but which had to go through the repeated processes of refining the concept papers and proposals -- two dropped out but one persisted and eventually got a grant.

- **Salt Lick** submitted a 2 page concept paper. Their idea was considered sound by the Co-Fi staff as well as the Agriculture Office. After three attempts at revising the concept, the Co-Fi office offered the services of a contract management specialist to help them develop their systems and the proposal. Salt Lick ultimately was awarded a grant.

- **Crescent Medical Aid** submitted a concept paper that was well received by the Health and Population office who also gave Crescent guidance on the baseline data collection to build up the proposal. The Co-Fi manager visited their target area with them in Mombasa and Kilifi and also offered to give them an enabling grant for a baseline survey. Crescent, however did not have the ability to go through with the survey and the rewriting of the proposal.

- **Manor House** submitted a proposal in the area of bio-intensive farming. This proposal was well received by the Agriculture Office. Co-Fi provided them with a contractor to help develop their systems. The systems were developed but the proposal submitted still did not meet the required standards. Manor House carried out a baseline survey but upon second submission still did not meet the criteria. Manor House then dropped out.

Conclusion: While the Co-Fi project could have assisted NGOs to obtain tax exception certificates by intervening with the government on their behalf as had been done by the technical offices, the project decided not to take this course of action arguing, and rightly so, that part of building NGO capacities is the challenge of finding solutions to their corporate problems. However, to get to the grants approval stage, a massive amount of work on behalf of the NGOs was often undertaken by Co-Fi. Judging by the number of requests received, the number that received serious attention and the numbers that eventually did receive grants, it is easy to see how the long turn-around time of between 8-33 months would occur. Frequent staff changes and staff shortages only made matters worse.

Constraint: Turnover of the Members of the Project Review Committee (PRC)

Finding: Co-Fi was designed such that concept papers and proposals would be reviewed by a PRC composed of the technical and project offices' personnel in addition to the Co-Fi staff. It was the PRC that finally approved grants. Over the last four years, the Agriculture Office changed its representation three times, PHD twice, PEO twice and HRD/PRJ twice. For each change, the Co-Fi staff had to take time to brief the new members and orient them to the functions of the committee. In addition, the technical offices tended to send more and more junior staff with each succeeding change -- the PRC ended up being almost wholly composed of FSNs and interns.

Conclusion: If the seriousness with which technical offices took the Co-Fi project was judged by the seniority of staff nominated to represent them on the PRC, one would conclude that the technical offices' regard and concern for the project had declined somewhat since 1991 when the mid-term evaluation observed high levels of interest and representation in the PRC from the technical offices. This impacted negatively on the project in that the leadership of the technical offices may not be as well informed as they should be about the project.

Constraint: Limited Co-ordination With Other Donors

Finding: There was insufficient linking and networking done with most other donors. This partly resulted from the lack of time on the part of the Co-Fi staff and partly from the differing agenda and unavailability of other donors. As a result, some opportunities to extend the Co-Fi project influence and network were lost.

That is not to say that Co-Fi did not exert some influence on or have some contacts with other donors. The contacts with ODA have resulted in ODA modelling an NGO support project upon the Co-Fi model. In another instance, Co-Fi did actively seek the views of other donors regarding their views on NGOs as well as the strategies that they proposed to follow in their future assistance to the NGO sector.

Conclusion: Potential to enhance the impact of the Co-Fi project on the wider NGO/donor community was limited. Co-Fi did not actively and sufficiently network with other donors on

a regular basis to exchange information and seek ways to enhance each others' capacities to assist NGOs.

Constraint: Insufficient Inter-Office Coordination

Finding: The co-ordination between the Co-Fi office and the technical offices was at times less than desirable. The main factor contributing to this was the diminishing understanding of the Co-Fi project by the technical offices as staff turned over in those offices over the years. As a result, opportunities to complement and strengthen each other were sometimes lost.

For example, the Agriculture Office together with the Kenya Wildlife Service (KWS) created a project called COBRA targeted at communities living in areas bordering the national parks and game reserve to enhance their involvement in conservation and bring about the sharing of benefits accruing from tourism earnings with the communities. The project was designed such that local NGOs would be the implementors. The Agriculture Office and KWS could not locate appropriately placed NGOs despite the fact that Co-Fi had given grants and built capacities of at least three NGOs eligible for participation in their project.

Conclusion: Enhanced and substantive co-ordination of the various technical offices and Co-Fi might have produced increased chances of collaboration between the technical offices and the Co-Fi project and minimized some of the currently observable diffusion of efforts.

Constraint: Cumbersome Contract Mechanisms

Finding: The potential impact of the Co-Fi project was sometimes hampered by USAID's own rules in the area of contracting external agents to perform certain necessary services. For example, Price Waterhouse (PW) entered into a management contract (IQC) with the Co-Fi office for PW to offer services to grantees and potential collaborating NGOs in building their capacities. PW was to be on call and as opportunities arose, Co-Fi would call upon them to offer the needed service to particular NGOs. The terms of the contract were such that every time the services were required, an amendment would need to be done to the contract. The amendment process was lengthy and complex; this was further complicated by the fact that the contract office serves the East, Central and Southern Africa region which means that its personnel were out of the office quite a lot -- leading to further delays. This mechanism therefore could not have the desired effect -- that of being quickly available when needed.

Conclusion: The IQC mechanism could have contributed considerably to the impact that the project planned to achieve in training and capacity building with the target NGOs. Unfortunately, due to its cumbersome action process and the excessive amount of time it took to complete the process, it did not achieve the desired impact.

C.2. Implementation of Mid-term Evaluation Recommendations

Scope of Work Questions: To what extent were the recommendations of the mid-term evaluation implemented? Did the changes put in place make a difference with respect to efficiency/effectiveness and quality of implementation?

Findings:

The mid-term evaluation was carried out in 1991. Recommendations made at that time are repeated below with comments on the degree to which they were implemented and their impact.

> *1991 Recommendation: USAID should concentrate on institution building indicators as opposed to people level impact indicators. USAID should consider the following as institutional strengthening indicators: 1) expanded beneficiary outreach over time; and 2) increased and diversified sources of NGO revenue.*

Finding: Partially implemented. On the one hand, the beneficiary outreach indicators were incorporated into the tracking system and Co-Fi continued to track people-level impact. On the other, the increases and diversified level of NGO sources of revenue indicators were not incorporated into the tracking system as a measure of institutional strengthening.

Conclusion: As result of Co-Fi not having incorporated the increased and diversified levels of NGO revenues indicators into its tracking systems, the effectiveness of the institutional strengthening measures targeted at enhancing the capacities of NGOs to increase and diversify their revenues were not measurable. This led to the Co-Fi Project's inability to fully appreciate the value of its institutional strengthening activities.

> *1991 Recommendation: The Project's training component should continue to be managed as per current procedures but should be linked more closely, but not exclusively, to USAID grantees (Co-Fi and otherwise).*

Finding: Fully implemented. The training component continued to be managed internally and was made available to the grantees of the Co-Fi project, technical offices' grantees as well as a few from NGOs which were not in any way linked to USAID. Forty three trainees from the three categories of NGOs took part in the overseas training. Of those, 25 came from NGOs that were not Co-Fi grantees (See Annex G).

> *1991 Recommendation: USAID should consider allowing training funds to be used to support in-country training.*

Finding: Not implemented. While being well received within the Co-Fi project a decision was made to leave it until the next phase of the project design. Implementing it in the mid-term would have meant a major change of a component of the project document. This would have

entailed amending the design document--not a small task considering too that the project was already suffering from an over-load of work and experiencing shortage of staff.

Conclusion: It appears that the project set reasonable priorities in this case and though in its remaining life it might have reached a few more NGO personnel with training, the time lost in changing direction mid-stream would probably have meant more time lost for training overseas.

> *1991 Recommendation: Because a few organizations seem to be repeatedly nominating candidates for training, USAID should limit the number from a single organization to maximize the number of grantees reached with such assistance.*

Finding: Fully implemented. Co-Fi Unit staff made a decision to limit the number of trainees from one organization who could be sponsored to four. Two NGOs, NENGO and AMREF, reached the limit.

> *1991 Recommendation: USAID should develop and articulate a new strategy for the project in form of an altered logical framework or a policy statement concerning what the project is designed to accomplish and why. We suggest this highlight the institutional strengthening of mainly Kenyan NGOs with funding for US PVOs limited to those that include a substantial partnership with a Kenyan agency or involve operations in particularly under-served areas of Kenya.*

Finding: Partially implemented. The project being overloaded, the first part of this recommendation did not receive sufficient attention. The staff, however still think this was a good recommendation and that it should be included in the redesigned project. The previous head of the former Office of Human Resources Development wrote an internal memo to the rest of USAID which clarified the role of the Co-Fi project in relation to the rest of USAID.

The second part of the recommendation was, however partly implemented--institutional strengthening was the goal of the grants given subsequent to the evaluation and the bulk of the grants went to the Kenyan agencies while those that involved US PVOs did for most part actually have substantial partnerships with the Kenyan NGOs. The ones given to US PVOs and which did not involve Kenyan NGOs had strong community partnerships components (Plan II and CARE).

Conclusion: The apparent confusion between the technical offices and Co-Fi office over what appears to be a duplication of roles might have been lessened if the first part of recommendation had been implemented. In addition, the amount of actively fostered collaborative efforts between the technical offices and Co-Fi might have increased.

The Co-Fi project can lay claim to having substantially contributed to the capacity building of its Kenyan grantees. The partnerships, though weak in aspects of capacity building made a good beginning towards showing the potential ways of getting resources and capacities to newly emerging Kenyan NGOs.

1991 Recommendation: USAID's present management process should be further refined, the present Co-Financing Unit (perhaps renamed as the USAID-NGO Partners In Development Unit) should be maintained in its current structure but be thought and treated more as an outside and independent entity (though physically within USAID) and allowed to operate autonomously. This unit should put information before the Project Review Committee and other decision makers crisply and incisively, and react and interact with NGOs with increased efficiency.

Finding: Partially implemented. Co-Fi did devise a mechanism of speeding up the process of proposal reviews by putting information more crisply to the PRC. It does appear to have gained a limited amount of increased autonomy though it was retained in-house but was certainly not treated as an outside entity and was not renamed.

Conclusion The name "Co-Financing Project" does not immediately ring bells for the Kenyan NGO community. Most NGOs seek to find out what a PVO is even before they start to enquire about the possibilities of getting grants from it. A PVO in any case is not necessarily an NGO. The project profile would have been that much more enlivened had the project implemented this recommendation.

1991 Recommendation: The Co-Financing Unit's already highly developed monitoring system should be further refined and concentrate mainly on institutional strengthening indicators. It should track the degree to which USAID improves an NGO's ability to serve its constituents over the longer term by both improving and possibly expanding its service delivery capacities, and enabling the organization to identify and meet financial obligations.

Findings: Partially implemented.

Concentrate on institution building indicators as opposed to people level impact indicators. This was not done mainly because USAID measures the success of a project from the concentrated view of people level impact. It was felt that the shift would give the detractors of the project within USAID ammunition to reduce its importance.

A more complete package of technical assistance be arranged through one or more IQCs to support the Co-Fi in fulfilling its many requirements.. This was implemented by contracting Price Waterhouse. The contract however did not produce the desired effects due to the cumbersome requirements of the contract rules.

1991 Recommendation: Divide project into two phases: phase I - 1991/93 to concentrate primarily on actions to increase productivity and efficiency and secondarily on research, experimentation and innovation; phase II - 1995 to make decisions as to the future of the project and if to continue, do the preparatory work.

Findings: Fully implemented. This recommendation was and is being implemented. The PW contract attempted to review proposals; the PRC involvement has been streamlined with Co-Fi staff doing a lot of preparatory work including carrying out their own assessments of the NGOs before going to the PRC and carrying out a survey to find out the donor thinking and trends.

In sum, about 60 per cent of the recommendations were implemented.

C.3. Effectiveness of Co-Fi staff in their interaction with NGOs

Scope of Work Questions: How effective was USAID project staff in their interactions with grantees? What impact did these relationships have on implementation and institutional development of participating NGOs?

Findings: From the impact study carried out prior to this evaluation and the interviews carried out during this evaluation, it is quite clear that the staff of Co-Fi were very effective in their interactions with NGOs. Practically all those interviewed rated them highly on both the approachability and the content of their assistance to the NGOs.

C.4. Co-Fi Input to Grantee Evaluation and Monitoring Systems

Scope of Work Question: How effective was project staff input into project evaluation and monitoring of the grantees?

Findings: The staff were very effective in assisting the grantees to develop and implement their monitoring and evaluation systems. The following were and still are the activities carried out to help improve the Grantees' monitoring and evaluation systems:

- Upon application for a grant, the NGO is assisted to develop its own log-frames and tracking indicators;
- Every grantee is required to carry out mid-term and EOPS evaluations; the scopes of work of such evaluation are reviewed and approved by the Co-Fi office;
- The hiring of the evaluators is also approved by Co-Fi office who require the CVs of the top three candidates;
- A workshop on monitoring and evaluation was held in 1991 attended by the grantees at that time. The resultant report has been shared with all subsequent grantees;
- CDIE-developed materials on monitoring and evaluation have been shared with all grantees;
- The Co-Fi office pays for all the evaluations;
- Seven NGOs (Saltlick, Saidia, Tenwek, KFFHC, SAWSO, YWCA and CRWRC) have been assisted with funds to carry out baseline surveys;
- Workshops on institutional sustainability and strategic planning were held and the resultant reports shared with al participating NGOs.

Conclusions: All the above activities have contributed immensely to the improvement of the grantees' monitoring and evaluation systems. The Co-Fi staff developed effective and efficient strategies for supporting the evaluation and monitoring needs of the grantees.

C.5. Co-Fi Indicator Tracking System

Scope of Work Question: How useful has the indicator tracking system developed by Co-Fi staff been, and other monitoring methods they used?

Findings: The Co-Fi office has developed a tracking system that tracks project status, provides a comparison between projects and tracks performance over time.

The key components of the tracking system are the following:

- Beneficiary level impact numbers for every quarter;
- Jobs created within NGO;
- Training and participant numbers;
- Effectiveness of M&E systems in place;
- Management systems in place;
- Reporting dates vis-a-vis expectations;
- Level of expenditure and time elapsed.

Conclusions: This system is a useful management tool. It provides quick reference and capacity to draw conclusions about the Co-Fi as a whole and take timely corrective action. Other monitoring systems used included personal contacts and field visits.

C.6. Obligations and Expenditures

Scope of Work Question: Did the project meet its obligation and expenditure targets? What were the key constraints to doing so?

Findings: The 1991/92 budget revision pegged the Co-Fi budget at $7,500,000. Actual expenditures as of 10/94 are $6,337,892. While the project is underspent, it is not significantly so. The Shilling exchange rate saved US dollar expenditures during the period of '92 to '94, reducing draw downs on the dollar funds available. In addition, as mentioned elsewhere in this report, the inefficient use of the IQC, rapid and frequent change over of US staff, and a reduction in the FSN staff at critical times all combined to reduce the achievement of original expenditure goals. (See Annex H for details on all expenditures.)

Conclusions: Despite the project being underspent during the time period, the constraints encountered were real, difficult to manage around, and persistent.

C.7. Assurance of Grantee Adherence to Guidelines

Scope of Work Question: To what extent did USAID staff and grantees interact to assure grantees adherence to AID guidelines in financial management and technical implementation?

Findings: The Co-Fi staff assured compliance though a wide variety of interventions and advice with the NGO grantees. These interventions included:

- Management assessment by the Co-Fi and Controller's staff before grant is given.
- A standard guidance package given to the grantee upon signing the grant that outlined all pertinent USAID regulations and reporting requirements.
- The Co-Fi staff assistance to the grantees in the formulation of reporting formats and the provision of sample packages showing the financial and narrative reports. These included the monthly financial and quarterly narrative report formats.
- Visits to each grantee by a team of Co-Fi staff at least once a year.
- A workshop titled: How to interpret your Grant, organized and run for the grantees in 1990. The report was subsequently shared with all grantees.
- Technical assistance to some grantees to develop financial and management systems in order to cope with USAID requirements.
- An open door policy for grantee visits in Nairobi to the Co-Fi staff.

Conclusions: The Co-Fi staff made sure that the grantees adhered to all guidelines in financial management and technical implementation. There were no indications that any funds were misspent or had to be recovered, and very few letters of warning or reprimand were found in any files.

C.8. Management Mode Effectiveness

Scope of Work Question: How effective has the management mode been, taking into account the role of the IQC contractor and the Project Review Committee? (Mission management, interest, Office Reviews such as PRJ and PIR reviews).

Findings: Overall, the management mode did not work as effectively as it could have. The IQC mechanism was found to be cumbersome, underproductive, and in some cases, grantees complained that the Contractor delivered late and with inappropriate products.

The PRC started with great interest but eventually became rancorous and senior officers began to send more junior staff. AID's personnel policies meant that US Direct Hire staff turnover was high, and for some time key FSN staff were not hired. Regular office reviews were conducted, as well as weekly office chiefs meetings with the Director and fortnightly project reviews with the Director. These may or may not have been the effective fora for facilitation and communication that they were meant to be.

Conclusion: It is not clear if the Mission used these reviews effectively to recognize, define and deal with impediments to efficient management as they arose.

C.9. Gender Considerations

Scope of Work Question: Did the project include gender considerations in its implementation and in what ways can this be improved?

Findings: Generally, no. At the time that the project was designed, gender analysis was not part of the USAID Mission culture. There had been no workshops, and no reporting requirements other than how many women are reached by grantee outreach programs. There was nothing proactive in the Co-Fi project about gender issues other than requesting reporting data on the number of women involved in program activities. Many NGO are aware that improvements could be made in considering gender in their programs.they are behind in gender sensitivity. After the evaluation was completed, the first mission-wide gender training occurred.

Conclusions: The Co-Fi project should substantially increase its focus on gender in all relevant aspects of Co-Fi activities. These include, but are by no means limited to formal gender policies in grant review, Co-Fi and NGO grantee project design and implementation, developing gender sensitive data collection and indicator tools, and full support for equal opportunity/nondiscrimination hiring policies.

Technical packages might be a good place to include gender sensitive workshops or support packages for future Co-Fi activities.

D. ANALYSIS AND COMMENT: RELATING PAST TO FUTURE CO-FINANCING

D.1. Institutionai Development

Scope of Work question: How is institutional development understood by beneficiary NGOs? Did project grantees and USAID have similar understanding of "institutional development?"

Findings: We examined this question in most all NGO interviews. Most NGO senior managers, Kenyan and US alike, gave comprehensive responses. Six such responses selected at random from meeting notes are repeated below. Since these were noted verbatim, they are presented in quotation marks.

> "Most donors think capacity building equals training, a mistaken view. Training support has to be coupled with on-the-job back-stopping, assets provision, systems development and other related aspects of organization building. Institutional capacity building is that which makes an agency from a passive doer to an active participant in the shaping of the doing, to the point of providing technical skills, financial systems and skills, management systems and tools, information collection, tracking and analysis."

> "Capacity building must be viewed on two levels. Level one is the organization itself. It must have the skills, technologies and ability to generate funds. Level two is at the community level, where the same things must be put in place."

> "Institution building is the process of strengthening an organization in order for it to be more effective, and on a continuing basis deliver goods and services to the people. Knowing and reacting to an NGO's strengths and weaknesses in each and every aspect--big things like how it is governed or plans strategically, and small like how it handles records of payments or keeps files--need to be thought of."

> "Strengthening involves building an institution which employs capable people who have a strong, clear structure that clearly lays out what is to be done, who does it, and based on what information."

> "We define institutional capacity as our ability to change based on signals and feedback from participating communities, documentation of such changes, and our ability to learn from such information, correct our path, and our ability to replicate such experience."

> "Institution building is the empowering of an agency with skilled personnel, sufficient equipment, appropriate systems to support its management and administration, sure sources of funds and above all giving meaning to its autonomy and removing undue dependency on other agencies."

The above quotes were typical of responses given directly or elicited in further detailed follow-up conversation with each NGO senior manager.

In most interviews, discussions touched on two levels of institution-building: within the implementing agency, and among the entities or groups of people targeted by the NGO for services. US PVOs, more than Kenyan agencies, regarded institutional strengthening as less a matter of their need and more a matter of the needs of groups they serve. However, some established Kenyan agencies expressed similar thoughts to those of US PVOs.

The MSI team went more deeply into the institutional status of NGOs. In these we diverted from our general interview guide and field tested a tool MSI recently developed for use in establishing the base line institutional status of NGOs.

As adapted for Kenya, this (draft) "Institutional Development Profile Analysis," includes five categories of indicators (Oversight/Vision, Management Resources, Human Resources, Financial Resources, External Resources). The 27 specific questions under the above five categories each includes rank-ordered possible responses. The Institutional Development Profile Analysis is designed to provide a snapshot of the grade or rank of an NGO's overall corporate status at a given time. Repeated at intervals, it can also show changes in status. (See Annex E, draft Institutional Development Profile Form.)

NGO senior managers were willing to go into detail about any of the specific categories or questions included in the Profile, and were able to catalogue exactly where their agency stood. As we used the profile as the basis for some of our interviews, the contrast between what a donor, in this case USAID, and an NGO means by institutional development became clearer.

At base, the evaluation team could detect little difference between donor and NGO definitions of this broad subject. The two use the same language, and meanings are essentially the same: combining many corporate parts so that they function smoothly enough to be able to perform a given function over time, in this case the delivery of services and goods.

Not surprisingly, the main difference between how donors and NGOs see institutional development is that donors are concerned with institutional development as a necessary requirement to more efficiently deliver their services and policies while NGOs see institutional development as necessary to their own competitiveness and corporate survival.

NGO leaders say the smooth functioning of an NGO involves clear mission statements, longer-term grant programs, realistic sustainability plans, and finely tuned financial systems. Donors want to discuss these matters, and normally offer support for these sorts of things. But most donors were less likely to get involved in support for less grandiose necessities such as well organized and accessible files, equitable personnel policies which were defined and applied, and properly set up space, furniture, equipment including maintenance and depreciation rates.

As we discussed such details with NGO informants, we found numerous examples of such "small" matters taking a significant toll on agency "strength." Examples:

- a large well set up health program, with all the requisite procedural manuals (including personnel manuals) losing a large number of key staff because of Board and senior staff insensitivity in interpretation of key provision concerning promotions, increments and benefits.

- two agencies with recent staff turnover suffering from an inability to find key information in files which were kept on a "personalized basis" by departing staff.

- several agencies which tracked projects individually (at donors' insistence) but had no standardized system for monitoring overall programs that senior managers could use to gauge overall NGO progress or make agency-wide decisions.

- numerous agencies that had staff employed under donor-funded projects under quite distinct terms and conditions from these of "regular" staff, and apparently with staff that had quite different feelings toward permanence or being "of" the NGO.

- nearly total lack of understanding of overhead rates, and how a realistic and recognized rate supports institutional sustainability.

Where, in our interviews, there was a critique of donors trying to be of use in institution-building it was invariably that: (1) donors looked at such matters largely on a piece-meal basis, interested mostly with assuring that an NGO had systems and staff able specifically to deal with what that donor was sponsoring or (2) donors generalized the needs of a specific NGO with those of all NGOs and offered generic "fixes" in the form of training or management services. As a corollary to (2), a significant number of NGO senior managers added that "generic fixes" offered were too often administered by individuals or firms not knowledgeable about NGO operations nor sufficiently in touch with the Kenyan operating environment.

NGO senior staff indicated that the "piece-meal" approach of donors had the good effect of straightening out some aspects of an agency operation, but also tended to focus attention on those aspects alone. This narrow focus tended to subjugate management's attention to what the donor(s) deemed important. One informant characterized this piecemeal approach as having a "disintegrative" rather than an "integrative" effect on their corporate health.

Interviewees appeared to feel strongest about the generic fix. While they appeared to welcome most training opportunities and workshop exposure, these often left substantial post-exposure problems concerning how actually to install or to integrate what was learned into their agency operations. They cited the need for hands-on assistance from people who really understood their

agency, and who could work with them to "tailor" a given strengthening strategy to their agency's.

The Co-Fi Unit staff, according to NGO staff interviewed, showed an excellent understanding of NGO institutional development needs. Our study of Co-Fi files unearthed a range of institutional assessments done by Co-Fi Unit and Controller staff. These were well done and some were quite comprehensive.

Conclusions: There is a common understanding of what is meant by institutional development among NGO and USAID staff. The main difference in the way the subject is viewed is that donors are more concerned with broad categories while NGO staff are concerned with the specific details and subcategories of their particular institution's condition and needs.

Generic management assistance is welcomed by NGOs but most also desire assistance with the "installation" or adaptation of what has been learned generally to their specific operation. Co-Fi is seen as a project which had the interest in if not the practice, of tailoring management support to the specific needs of NGOs.

Indicators of the impact of donor support on a given NGO's institutional capacity, and to track changes in an NGOs overall profile, are available. MSI's "Institutional Development Profile Analysis" is an example of a way to measure institutional change over time, thereby answering USAID/Kenya's desire for a way to track changes in the status of institutions it supports.

Recommendations: A new Co-Fi project should continue to provide both generic institutional strengthening assistance along with "personalized" assistance, with an emphasis on the latter.

USAID/Kenya should consider adapting a tool such as the MSI-developed Institutional Development Profile Analysis. Such a profile should be developed in collaboration with NGO management at the beginning of each grant period, and repeated at intervals during implementation.

D.2. Project Rationale and Design

Scope of Work questions: Was the Co-Fi Project as initially designed appropriate and relevant for the needs of NGOs in Kenya?

Was the original premise for working with NGOs through Co-Fi valid? Does it remain so?

How does the project's development strategy relate to that of Kenyan NGOs in this era of multi-party politics? To the role of US PVOs?

Findings: USAID commissioned a survey in 1984 in preparation for the final design of the Co-Fi project. The study indicated that NGOs operating in Kenya consisted of at least 400

organizations, 200 of which were Kenyan, roughly 100 from U.S. and 100 from other countries. NGOs were found to operate throughout the country covering a wide range of development and sociai welfare functions.

The USAID design team viewed NGOs as a great asset to Kenya in terms of their potential to contribute to national development goals. The potential was viewed as especially important, given the financial and administrative constraints faced by the Kenyan public sector in meeting the social and economic needs of Kenya's burgeoning population, especially the poorest levels of Kenyan society. The Project was still seen as a way to increase the flow of low-cost services to target groups and increase the resource base for development.

USAID reconfirmed its original thinking in the 1988 amended project paper.

When the Project was evaluated in 1991, it was found that estimates of the number of NGOs operating in Kenya had increased: at that point approximately 300 Kenyan NGOs were active along with perhaps two hundred of foreign origin. These organizations were playing an ever more prominent role in a wide range of sectors, most particularly in the provision of health services (where it was estimated that they provided up to 40% of Kenya's rural health services) but also in the education sector and, to a lessor extent, in micro-and small-scale enterprise development, agriculture, community water supply, and wildlife and natural resource management conservation.

Billions of shillings of foreign exchange were being transferred to Kenya through NGOs, a volume of funding that would probably not be available to the country were it not for the NGO sector. A 1989 study estimated the flow from international donors through NGOs on the order of over $30 million per year in the period 1986-1988 and a sum perhaps twice that from international religious organizations annually.

The MSI team was informed by numerous sources that since 1991, the number of NGOs had continued to grow. In 1994 the NGO Council estimates that 600 bona fide national or regional NGOs are operating, and/or are legitimately seeking GOK registration.

NGO staff interviewed were mainly pleased that new NGOs were continuing to form. Many, they said, were designed to fill niches in which few NGOs had operated before: advocacy in the areas of human rights, women's rights, voter registration, and tribal interrelationship; or to meet newly apparent needs such as assistance to street children, AIDS or STD prevention; or to deal with regional development issues or those of isolated areas of the country. Some added, however, that some new NGOs were purely opportunistic and of little substance, or were creations of KANU or opposition party members with obscure or unknown agendas, or inadvertently designed in such a way that they duplicated existing NGO services. Care in donor dealings with new entrants was suggested.

NGO judgement on the utility of Co-Fi (and other donor support of a similar nature) was unequivocal in stating

- that Co-Fi over the years made possible the emergence and sustaining of a wide range of NGO activities, a large percentage of which impacted favorably on the lives of poor Kenyans,
- that support such as that provided by Co-Fi be maintained if NGOs are to continue playing a key role in Kenyan development and
- Co-Fi was an early, if limited model, of a donor willing to support the ability of NGOs to build their organizational capacity as they deliver services.

NGO respondents often emphasized the need for as many donor conduits as possible to insure their sustainability. While most are sincere about building other than donor resource flows, few have succeeded to make significant advances in doing so. "Serial dependence" on donors is likely to be required for some years yet. The loss of any one resource flow, especially one designed as Co-Fi has been, to support an NGO's "own" program and internal development would be seen as a serious reduction in the ability of NGOs to be responsive to their grass roots clients.
NGOs leaders also said recent political changes and economic liberalization increased the need for continued donor encouragement of NGOs. Many pointed to the 1992 elections as a watershed, potential if not yet actual, for Kenyans seeking transformation of the country's political system. No matter how flawed the new framework, they claim that Kenya is different now, that they are enjoying greater openness and tolerance than was the case just two years ago (the two MSI team members who worked both on the 1991 and this evaluation certainly noticed in 1994 a much enhanced willingness of NGO spokesperson to discuss and criticize government performance and policy, even in public sessions).

Many noted that national NGOs had begun to play advocacy roles, if only tentatively. They indicated this was so not only for newly formed, specialized activist organizations, but also among the more standard sectoral and multi-sectoral development agencies. A number of NGO leaders observed that both types of NGOs recognize that material development alone will no longer suffice if inequalities and injustices remain undiminished. Government must be more accountable, and the underprivileged must have the courage to speak on their own behalf. NGOs of all sorts recognize that they can be vehicles for educating people and carrying their messages to the government and society at large.

NGO leaders pointed out that Kenya has a great many skilled people in the NGO service-delivery sector, people divorced from politics, but who would benefit from donor encouragement of democratic dialogue influencing social and economic governmental policies. Such people working from within the NGO community could have far reaching effects by "injecting" new ideas and approaches into the system.

Many NGOs also noted that Government is "off-loading" health and other social services. The burden on communities and the NGOs that serve them is therefore increasing. Donors meanwhile have diminished aid flows.

One NGO spokesperson stated that the donors' heavy use of NGOs suited the government well. It relieved government of having any direct responsibility for literally hundreds of accountability trails (and the invariable feuds with donors that would ensue) while assuring development funds still were available.

Several NGO leaders indicated that NGOs are being misled into believing that:

- they will replace government where fund disbursements are concerned;
- NGOs are being co-opted into becoming merely deliverers of goods and services and being diverted from what should be their role: educating communities to question their position and identify the real causes of their problems while simultaneously using their developmental activities as testing ground for demonstrating to communities that they can solve problems themselves.

These interviewees added that they thought it was the government that was mistaken. Many of the NGOs realized that development is not about health services or wells or new crops alone, it is about peoples' awareness. A former civil servant now in the NGO community concluded, "if awareness is raised to sufficiently high levels, many of the problems besetting Kenyan society would disappear." He echoed the opinion of others that NGOs are already, or would soon, pick up on this awareness role, and that while some will do so in a high profile advocacy role, most will be more subtle but achieve perhaps the biggest results. He believes the traditional NGOs working in the villages will ultimately prove to be "the subtle force" of change.

Finally, on the matter of the appropriateness of the original Co-Fi design and its relevance to a future Co-Fi endeavor, we should mention recent Ford Foundation research and program design initiatives advocating a revival of what in the fifties was called "community development." The Ford plan reprises the idea that the efficient and sustainable reduction of poverty requires the full participation of intended beneficiaries. Ford proposes a concentrated approach by donors, national government and Kenyan as well as externally-based NGOs to work with small local groups (called by Ford, local voluntary associations or LVAs) of low income people to assist, plan, assess, and manage development projects and programs.

The Ford plan was mentioned frequently by NGO respondents as having merit. The MSI team was struck by two aspects of the plan:

- its basic good sense given what we were continually told about the numbers (many thousands) of LVAs already existent in Kenya and
- the similarity of the Ford concept to what was apparently intended in the original 1985 design of Co-Fi. USAID did not then use the term "community development" but its rhetoric about "grass roots" and "local initiatives" had much the same thrust. Unlike the Ford plan, however, Co-Fi's original design was more concentrated on using NGOs as a means of delivering services to LVAs. The Ford plan devotes more attention to researching the needs of LVAs and linking

that research to existing or new structures that meet those needs, particularly regional NGOs (like Tototo) rather than national NGOs.

USAID's question about the role of US PVOs in today's Kenya has a simple answer: Almost all respondents, U.S. and Kenyan alike, agree that foreign NGOs should mainly link with and support bona fide Kenyan NGOs. That said, many respondents added that such US and other foreign NGOs, have much to offer, particularly mentioning:

- links with and access to government and donors;
- human, financial and management resources;
- a particular moral (and morale-building) importance by assuring an international presence as changes ensue in Kenya;
- an ability to provide an objective view of the national situation.

US PVOs, however, are not seen by Kenyan NGOs as being as to act as implementors with the in-depth knowledge of local needs and opportunities or accountability to beneficiaries that local agencies have.

Conclusions: The Co-Fi Project as initially designed was and remains appropriate and relevant for the needs of NGOs in Kenya. The original premise for working with NGOs through Co-Fi remains valid. In fact, the attractiveness and importance of such a project alongside USAID's standard technical office work have increased, given the greater burden being put on NGOs for service delivery as the "liberalized" economy seeks to stabilize and political openness is dangled before the populace.

The idea of the Mission having one or more flexible mechanisms to support the institutional integrity of emergent development and advocacy NGOs and established single or multi-sectoral development NGOs with track records in providing useful services, is both timely and needed. To abrogate its ability to respond selectively to NGOs other than through USAID's technical programs, would leave USAID out of touch with important potential developments in civil society.

US NGOs have a definite but proscribed role--that of supporter of Kenyan NGOs--in a Co-Fi follow-up project.

D.3. Open Design and Diversified Portfolio

Scope of Work questions: What were the pros and cons of having an "open design" that could react to ideas from the NGO community?

What were the pros and cons of having the resulting diversified subproject portfolio?

Findings: Co-Fi's "open design" definitely had advantages and disadvantages from the point of view of NGOs and that of USAID staff.

Several NGO senior staff mentioned that the intentions of USAID with Co-Fi and the criteria being applied were never clear to them. Although most reported that Co-Fi Unit staff were welcoming, whether or not their project idea or concept (not to mention concept papers) would ever be accepted was difficult to gauge. Our sample was, of course, biased because it included almost exclusively NGO leaders who eventually accessed Co-Fi funds. But it was informative to the extent that some people whose agency eventually received support, felt this confusion. Many related USAID's lack of clear criteria during the often long gestation period for the acceptance of their grant.

Many NGO leaders, including some of the same people holding the above view, noted that Co-Fi's "open design" was a refreshing departure from the usual donor practice of having a definite blueprint concerning activities they would support. One respondent summed up this view this way: "Co-Fi has been providing funds not available in any other way. It allowed NGOs to push their own ideas without having to alter plans to suit the donor. It, therefore, created opportunities to experiment and learn from their own initiatives."

Many also mentioned that Co-Fi's flexible off-shore training component offered a valuable service. And several agencies lauded the Co-Fi staff for sticking with their agency, providing special services, either informally or formally, which helped prepare them for an eventual grant, something quite unusual among the donor community. (Both a new ODA project for NGO support, modeled on USAID's Co-Fi, and the proposed Ford initiative for LVA's intend to use this same approach.)

USAID staff, as in the mid-term evaluation, seemed to be fairly starkly divided about the pros and cons of the "open design," and the resulting diversified portfolio of Co-Fi Project.

Given the tighter USAID budget and somewhat diminished USAID human resources, the direct-hire technical office staff see Co-Fi as too loosely designed, not necessarily relevant to the Mission's Strategic Objectives, not the type of activity that can be readily assessed or measured, and duplicative of some of their own NGO portfolio. Several indicated that funds flowing through Co-Fi could be more productively used as part of technical office portfolios.

FSN staff interviewed throughout the Mission, including those in the technical offices, were more favorably disposed to Co-Fi. Management, program and projects staff, as a group, were also favorably disposed to Co-Fi.

The evaluation team came away from internal USAID interviews with the strong impression that, although their general complaints remained the same, many of the U.S. staff interviewed were much less aware of what the Co-Fi project was designed to do or the nature of its portfolio than had been the case during the 1991 evaluation. (Only one U.S. staff person, a US PSC, from the crowd of fierce detractors or vigorous supporters of Co-Fi the team interviewed in 1991 was still on the job in the Mission.)

Aside from the Deputy Mission Director, only Foreign Service National staff interviewed were willing to list the advantages or particular opportunities offered to USAID by having the Co-Fi project and staff. FSNs, in the course of interviews, indicated that Co-Fi provides:

- the Mission opportunities to work more broadly with NGOs than is the case under technical office projects, including NGOs with multisectoral programs.
- a way for USAID, without major risks, to explore operating in new subsectors (but still related to Strategic Objectives) or experiment with innovative approaches in present sectors.
- a means to focus on NGOs as NGOs, to strengthen their latent capacity to serve a wide range of development interests or undeserved geographic areas, and in a people oriented manner.
- access to information and contacts to keep in touch with general and quickly changing NGO trends as such agencies collectively become an even greater force in Kenyan development.

Conclusions: The Co-Fi project's "open design", reactive to ideas from the NGO community, had definite up and down sides. It's openness is appreciated by NGOs but left some of them uncertain about USAID program intentions; what activity would qualify and why.

Mission staff were not of one mind about what the Co-Fi project was supposed to do and why. While a good number of staff see the open design/targets of opportunity element of the project as offering flexibility to support a number of interesting and important NGO activities, others in USAID's technical offices do not agree. Technical office staff see Co-Fi as largely duplicative of what they were already doing in their specific portfolios, and which already includes a good deal of institutional strengthening. They also noted that they deliver concentrated services through NGOs, services whose impact was measurable, and that the diversified subproject portfolio of Co-Fi is not easily measurable or attributable to the attainment of Missions strategic objectives.

D.4. Co-Fi as Different from USAID Sector-Specific Activities

Scope of Work questions: How does the project differ from sector-specific NGO activities supported by USAID technical offices?

How does the project contribute to the realization of the Mission's strategic objectives? In what way?

To what extent does/can such a project provide a mechanism for the Mission's regular dialogue with Kenyan and USPVOs on experience and mutual interest? What forms can collaboration between NGOs and the Mission take?

Findings:

Co-Fi historically has supported (1) an NGO's delivery of services, (2) a combination of support for service delivery and institutional strengthening, or (3) institutional strengthening alone. The earliest Co-Fi grants in particular were of the first type; after 1991 types 2 and 3 became the norm.

When Co-Fi began, the overall USAID program was less oriented toward avoiding support directly to the GOK. PHD and PEO were only beginning to build programs using NGOs as a means of delivering services. KREP started in 1984 just before the Co-Fi project was sanctioned. The Agriculture Office, until the advent of the COBRA project in 1992 did not use NGOs at all.

PEO and PHD continued to build their stable of NGOs during the entire period Co-Fi has operated. Each Office increasingly used NGOs as a means of implementing a focussed sectoral program. Even where NGOs involved had multi-sectoral operations, PHD and PEO were interested in them mainly for reasons of their capacity in a single sector. The maturity of the NGO, its capacity to account for funds related to a given sector and the degree to which the approach the NGO used matched or could be shaped to meet USAID's own conception of the proper way to operate weighed heavily in selecting NGOs to participate in the technical office programs. If, for example, an NGO being considered under KREP was using group loan techniques of the sort pioneered by Dr Yunis and the Grameem bank model, USAID insisted that loans be made instead to individuals.

In contrast, Co-Fi had no strict preconceived basis for judging which NGO proposals to support. Any NGO with an interesting program idea or need for institutional strengthening could approach the Co-Fi office. Thus, Co-Fi's portfolio was developed in a different manner than that of the technical projects.

Some applicants approached the Co-Fi Unit off the street, mainly because they had heard about USAID funds being available in the fanfare associated with VADA's launching. Others operating with central AID funds (Matching Grants or Child Survival Grants) which were terminating, were referred to Co-Fi. (The first six Co-Fi grants were this type of follow-on funding.) Other potential Co-Fi applicants were referred to Co-Fi by USAID management, the program office or, quite frequently, by technical office staff. In the latter case, it was often because the NGO's program was interesting and in the "right" technical area but did not qualify for inclusion in the technical office's focussed portfolio. (Candidates for support under the Co-Fi's US and third country training program came by the same means as grant ideas.) No specified records are kept of how a individual NGO first approached USAID.

Many NGOs which approached or were referred for consideration under Co-Fi were not registered with USAID. In some cases, the Co-Fi Unit provided assistance to get them registered or, if their programs were sufficiently interesting, arranged for them to be supported by passing funds through a registered NGO.

By custom, if not strictly design, NGOs whose projects were processed and ultimately supported with Co-Fi funds operated in USAID's three sectors of focus: Health and Family Planning, Agriculture, and Enterprise Development. This data was previously shown in Table 1. Thus, there was considerable programmatic complementarily among activities supported by Co-Fi and those of the technical offices. This was the case even for Co-Fi funds that used exclusively for institutional strengthening support and not for funding of an NGO's actual service delivery. This was quite natural, of course, since, as we indicated, Co-Fi intentionally tried to make grants which related to the Mission's three strategic objectives. Proposed Co-Fi projects within a given technical sector were always vetted with the technical offices, and were only approved with technical office blessings.

In time, some NGOs initially supported under Co-Fi graduated into receiving support for elements of their programs from technical office more directly. PRIDE is an example.

The team has documented elsewhere in this report that Co-Fi was clearly of use to agencies, many of which had sector or multisectoral specializations, and provided a wide range of support for strategic planning, rectifying board-executive relationships, collecting base line data, staff training, or dealing with matters related to sustainability. But the MSI team also found that, over time, PHD and PED also began to provide similar institutional support for NGOs operating as part of their "stable."

Although, we did not study the matter in great depth, we did confirm that there is considerable overlap among technical office and Co-Fi institutional strengthening activities. We did this mainly in interviews with NGOs such as Chogoria, PRIDE, TOTOTO Home Industries, and CHAK, which have received funding from both Co-Fi and a USAID technical office. We also met with KREP and reviewed their institutional strengthening strategies.

In some cases, it was clear that technical office programs had supplied first-rate institutional support along with focussed program support. In some individual cases, this institutional support was broad-based; CHAK, for example, received management assistance under the auspices of PHD which, according to CHAK's senior managers, very thoroughly redirected its program, board-executive roles, internal office systems and relations with its field membership. In other cases in our limited sample, the institutional strengthening support by technical offices was not as useful to the NGOs involved.

All of the NGOs involved with both Co-Fi and the technical offices indicated that Co-Fi staff was more consistently "pro" NGO and offered support shaped to actual institutional problems facing NGO management. Many observed that Co-Fi staff were more concerned with the NGOs overall corporate welfare and operating environment.

PHD, the Mission's largest user of NGOs, has at present a portfolio of seven direct grants or cooperative agreements with NGOs, mainly designed to provide community-based health services, and five contracts with organizations which largely support such NGO implementors. Five US PVOs and 19 Kenyan NGOs are involved with the PHD program.

PED implementation through NGOs includes the Kenya Rural Enterprise Project (KREP) as a major conduit. KREP, is a Kenyan NGO providing credit directly to small businesses, researching new ways to promote small business growth, and also acts as an "umbrella" or intermediary agency to assist NGOs and community-based organizations involved in making loans to micro enterprises. At present four NGOs operating credit schemes in rural Kenya are "on-lending" KREP recipients (TOTOTO, NCCK, PRIDE, and PCEA Chogoria). The office also provides management assistance to small businesses and NGOs working with loan programs through the Kenya Management Assistance Program (KMAP). Like KREP, KMAP is a Kenyan NGO.

As can be seen from the sectors in which Co-Fi supported NGOs have operated, to one degree or another, Co-Fi grant activities did contribute or were potentially contributive to the accomplishment of Mission Strategic Objectives. In many cases, the Co-Fi projects did not have the directness or immediacy as the contributions of NGOs included in the technical office's own portfolios.

US and 3rd country training sponsored under Co-Fi, likewise, was mainly within the Mission's strategic fields. Table 6 shows the distribution by sector of the 39 trained through June 1994.

We included in this section the Scope of Work question on the extent Co-Fi provides a mechanism for the Mission's regular dialogue with Kenyan and USPVOs on experience and mutual interest because we feel it is another area of potential difference between technical office interaction with NGOs and that of Co-Fi.

Table 6. Training by Sector

Sector	Number
Health	19
Environment	7
Agriculture	6
Management	3
Enterprise	2
Community Development	1
Human Rights	1
TOTAL	39

Technical office staff are constrained by their mandates to work with NGOs through sector specific projects, unconcerned that the NGO may use multisectoral implementing strategies. The staff working with the new civil society element of the Democracy Project will be similarly limited. Co-Fi Unit staff are not so constrained, and can react to field based multisectoral project strategies developed closer to the clients who would be using the services.

While we are aware that technical offices provide a mechanism for regular dialogue with NGOs within that particular technical area, it is the Co-Fi office that holds promise as USAID's best contact point with the entire NGO environment in Kenya.

Clearly an office with a more generalized approach to NGOs is in the best position to relate to, track (and perhaps invest in) such things as the new NGO Council's efforts to catalogue and coordinate NGO activities, the effort of the Kenyan Council for Social Services to revive its long moribund program, or new initiatives like that of the Ford Foundation with local village associations.

If USAID saw it as useful to do a briefing paper on its overall NGO program, publish a regular newsletter highlighting various of its NGO programs, catalogue all institutional services to NGOs it is providing through existing mechanisms (whatever the source), the logical locus of coordination for such initiatives would be Project's Co-Fi Unit. Co-Fi customers, implementing projects that are more immediately reactive to the fast changing social environment may become USAID's most accurate bell weathers to grass roots changes in the political environment.

Coordination among USAID staff working with NGOs has diminished over time due to staff turnover and cutbacks. This shows in many ways. Aside from the Program Office's general overview of USAID-NGOs relationships, the various USAID office working with NGOs are not fully knowledgeable with the details of other office also working with NGOs, neither technical details or those concerning institutional support available for NGOs. No mechanism for sharing such information is presently in operation. We noted, during this evaluation, for example, that issues relating to the COBRA project's slow disbursement of funds for local group action had not been discussed with Co-Fi staff. Nor had the Co-Fi staff conversant with the details of the project. Had this link been made, solutions to the COBRA problem may well have been evident some time ago.

Clearly, more and better coordination and information sharing is needed. For example, evaluation reports on Co-Fi activities could be summarized and sent to potentially interested technical offices. Visits between and among NGOs supported by different USAID offices could be encouraged.

With internal USAID staff cooperation and good will, the channels the Mission could use to encourage collaboration between NGOs and the Mission are many, limited only by the priority Mission staff could give to such matters, and the amount of funds that could be coordinated from various sources to support such activities. In doing this evaluation, it became clear that NGOs involved with Co-Fi were not familiar in any detail with the operations of other Co-Fi grantees.

Nor were they familiar with the full range of technical office NGO support programs. A newsletter or even a conference once every one or two years with all active USAID-recipient-NGOs might have a good effect in rectifying this.

USAID strategy revisions are supposed to be done with some input from NGOs. Small groups of representative NGOs with which USAID has relationships could be assembled to discuss trends and priorities as they see them Co-Fi would be the logical project to organize this.

Conclusions:

The main differences between Co-Fi and sector-specific NGO projects supported by USAID's technical offices are:

- The Co-Fi project is driven by the objectives of the NGOs (within the context of overall Mission objectives): technical office projects are driven by the specific technical objectives of the Mission. Put another way, the technical offices use NGOs as a conduit to deliver services, while the Co-Fi Unit see NGOs as a means to further general development aims.

- For USAID, the Co-Fi project opens a broader window on the NGO social and political environment than can be had from any of the technical office NGO portfolios.

- Through its NGO partners, the Co-Fi project encourages the NGO sector to believe that US development policy includes and values the perspectives of the grass roots villager as expressed by the multi-sector NGOs.

- More technical and strategic innovations for development are likely to come into the Mission through the Co-Finance project because of its flexibility in responding to those innovative project proposals that do not meet technical office guidelines or "fit" within their focussed portfolios.

Despite the above difference in approach considerable overlap and duplication has developed over time in the portfolios of NGO support of technical offices and that of Co-Fi. Technical offices, PHD and PED in particular, began some years ago to provide institutional strengthening along with financial support for service delivery of NGOs. The distinction of the work of the Co-Fi program from that of the technical offices has, therefore, become blurred.

The Co-Fi program complements the work done with NGOs by the technical offices. The Co-Fi project contributes to the realization of the Mission's strategic objectives in fairly straightforward ways: by enhancing civil society, encouraging participatory development and increasing NGO beneficiary outreach mainly in sectors identified by the Mission's strategic objectives.

The Co-Fi project has not yet been clearly used as one more vehicle among many to enhance the Mission's dialogue with Kenyan and US PVOs on experience and mutual interest. The forms that such dialogue could take are quite extensive, limited only by imagination, staff time and the degree funds can be devoted.

Recommendations: The design of a Co-Fi follow on project should assure that the percepts, approach and the design of the new activity are either clearly different than other work USAID does with NGOs or closely related to that other work. The final objectives and design of the new project should be clearly understandable to all concerned within USAID and among the NGO community.

D.5. Options and Possible Focus of a Follow-on Activity

Scope of Work questions: What new areas of focus and new approaches should the Co-Financing Project be considering?

What are the options for managing multiple and distinct PVO activities under one rubric?

How can such a project be better shaped to develop NGO institutional capacities?

Findings:

Given our earlier conclusions that:

- Co-Fi had a decent and increasingly measurable effect on a wide range of NGOs,
- the design and rationale for the original Co-Fi project remains valid and relevant,
- the needs for what a project like Co-Fi can offer are, in fact, increasing as Kenya goes into the last five years of the century,
- the way USAID supports NGOs under its Co-Fi and non-Co-Fi programs has always had considerable complementarity but also considerable overlap, and the differences between the two approaches have become less distinct over the past seven years,

and taking into account the limited human and financial resources presently available to USAID/Kenya, we have sought below to outline three possible scenarios or options for a future Co-Fi initiative if a distinctive AID umbrella project for NGOs is to remain part of USAID/Kenya's portfolio. All offer the possibilities of useful impact on NGOs in terms of institutional strengthening.

We first present three possible options for a future Co-Fi initiative. Each describes an approach to institutional strengthening, and the management mode most closely matched and appropriate to its implementation. Each is discussed in some detail with a list of advantages and disadvantages.

The three options are:

- New approach to institutional strengthening, managed outside USAID by an NGO. ("Outside Option")

- NGO institutional strengthening activities selected under new categories and criteria, managed from within USAID. ("In-House, Free Standing Project Option")

- NGO institutional strengthening activities focussed mainly on NGOs already within or closely related to specific interests of USAID technical offices, managed within USAID by technical offices with support from the Projects Office staff ("In-House Technical Office Option").

OPTION 1: Outside Option

Approach: Make Co-Fi into a new kind of program designed more to build the competency of the NGO sector as opposed to the usual pattern of building competency of funded organizations or projects. Such a program would focus on mainly multipurpose NGOs whose relationship are primarily with donors or government units. Co-Fi would sponsor interventions that promote NGO sectoral unity around themes by promoting sharing among NGOs and funding of inter-NGO coordination activities such as networks or joint NGO projects.

Management Mode: The entire project would be implemented by a qualified U.S. or Kenyan NGO under a cooperative agreement.

OPTION 2: In-House, Free Standing Project Option

Approach: Set a persuasive objective for the project and notify the NGO community of the parameters, categories and criteria that USAID would apply when awarding grants. Productive categories would be grants for consortia or networks, grants for NGOs working on joint or collaborative projects, or grants to regional or local multi-purpose NGOs working with local communities. Technical, management assistance and training resources would be focussed on grantees or organizations likely to later qualify for grants under the project.

Management Mode: The continuation of the Co-Fi project as presently composed. The Co-Fi Unit of three Personal Service Contractors and a secretary could continue to use the methods for NGO support begun in the present Co-Fi project: a grants fund, a training fund and an Indefinite Quantity Contract with one or more private firms and/or the provision of management assistance within grants (allowing NGOs to use grant funds to contract for the required assistance).

OPTION 3: In-House Technical Office Option

Approach: Concentrate Co-Fi's umbrella support directly on sectors in which USAID is presently focussing. Integrated much more thoroughly into USAID's technical office operation than is the present Co-Fi, such a project would sponsor worthy NGO service delivery efforts and/or assure that participating NGOs receive institutional strengthening assistance. Established or emerging NGOs, or single-sector NGO consortia or groupings not included in standard, focussed programs of USAID's technical offices could then access funds from USAID.

Management Mode: The "In-House Technical Office Option," would have an individual (PSC) and a secretary in the Projects Office available to work closely with USAID Technical Offices to subdivide Co-Fi funds for worthy NGO support activities.

Each option is discussed in further detail below.

OPTION 1 ("Outside Option") is perhaps the one most suited and relevant to the needs of the NGO community in Kenya in the foreseeable future. A qualified US or Kenyan intermediary would be positioned to respond to a wide range of NGO institutional strengthening needs as described under the terms of a Cooperative Agreement.

This option could be set up to focus support through the intermediary mainly on multi-purpose NGOs. These interventions would promote sectoral unity around strategic NGO sectoral themes, support networks or promote inter-NGO coordination and joint NGO projects. Themes under which such support could organized might include local decision-making and control, self help economic activities, self-financed local services, disaster preparedness, democratic NGO governance, etc.

The terms of the Cooperative Agreement would allow the implementing NGO to finance initiatives of many types. NGOs could request support for training and study tours, selected research, and their technical assistance and development support communications needs. Funds could also be available for support of demonstration projects, or even core funding of selected NGO consortia. Activities sponsored under such an approach could range in duration from short 2 week activities to a multi-year grant to cover the core costs of a consortia group or network (see Annex "F" for elaboration on activities that might be included).

The advantages of such an approach and management option:

- Once set up, USAID would have a single management entity to implement the entire project, reducing in-house demands on staff and management time.

- Set up correctly, the cooperative agreement would allow the implementing agency considerable flexibility in reacting to a wide range of large and small NGO requests for

support within pre-defined categories, assure accountability, and provide the means to monitor and report to USAID.

- A project set up in this manner, has continuity with the present Co-Fi's institutional strengthening intentions but extends the reach of the project to a much wider pool of Kenyan NGOs. Registration constraints within the present project would be overcome.

- Such an institutional strengthening initiative would be perhaps the one most suited and relevant to the needs of the NGO community in Kenya in the foreseeable future.

- By choosing appropriate "themes" within which investments by the implementing agency could be made, such a project would be directly related to the Mission's strategic concerns (particularly at the goal, sub-goal levels and to some extent the strategic objective level), and measurements of its contribution could be made.

- Such an approach would definitely distinguish activities of the new Co-Fi project from the work with NGOs otherwise being done by the PHD and PED.

The disadvantages:

- Given the VADA experience, and because to date no Kenyan NGO or consortia appears capable of handling such a wide-ranging set of activities, it is likely that only a US PVO (perhaps working with a Kenyan NGO) would be eligible to operate the project. Having such an arrangement might raise some resentments among Kenyan NGOs (especially if a new US PVO, one not already present in Kenya, were brought in to implement the project).

- There is the risk that the intermediary, depending of course on the NGO selected, would not be sufficiently "in touch" with the Kenyan NGO environment to be fully effective in the short-term.

- The set up of such a project would take some time, actual implementation would probably not be possible for 6 to 11 months.

- Using an intermediary would be relatively costly, absorb a considerable portion of available funds and lock USAID into contractual obligation for the duration of the project, even though the amount of funds available for Co-Fi is modest, and might even have to be reduced.

OPTION 2 ("In-House, Free Standing Project Option") could meet many NGO institutional strengthening needs through a tried and true means: the continuation of the present Co-Fi's mode of operation including a training fund, an Indefinite Quantity Contract with one or more private firms, and a grants fund.

At base, the management capacity of the Co-Fi Unit is a known quantity as is the overall management burden of the present approach on USAID. We know for certain what the Co-Fi Unit, brought up to full strength with three PSC's and a secretary, can screen dozens of concept papers, arrange for approximately 5 or 6 grants per year, monitor those grants, oversee an IQC firm (or firms) and arrange US and third country training for up to 10 trainees per year.

This option offers great flexibility in approach. Depending on what objectives are set, components of the project can be shaped to maximize the project's effect.

For example, assume a project purpose such as the following:

> "To support the decentralization of Kenyan development by strengthening the capacity of national and regional NGOs to assist local community based groups to achieve their development aims (or, guide, manage and sustain their own development)."

Also assume that USAID would "broadcast" this objective, along with parameters, selection criteria and the categories of grants which USAID could make available. The categories included are grants for consortia or networks, grants for NGOs working on joint or collaborative projects, or grants to regional or local multi-purpose NGOs working with local communities.

The announcement of such grant criteria would likely elicit many creative proposals from the NGO community. The categories would draw certain types of NGOs, for example, the consortia NGOs such as KENGO, NCCK, CRWRC and CHAK and other smaller emerging consortia or groupings of NGOs; the joint or collaborative category would likely elicit proposals from agencies such as SAIDIA and SALT LICK, both of which work on similar programs in the arid lands areas of the North and East. A limited number of other potential NGOs partners would emerge. A category for regional or local NGOs working on community-based problems would draw proposals from NGOs like TOTOTO, a regional organization, or CARE, a US PVO, working on like problems.

The Co-Fi Unit could quickly be in a position to support the new categories of projects that our hypothetical purpose statement suggests.

By selecting carefully from among NGO applicants, the management burden of this approach could be maintained at acceptable levels. Consortia grants could be for long terms and absorb significant amounts of funds. By making several of these in the first year of the project, obligation levels of the project could be assured, as the Co-Fi Unit turns to make other categories of grants.

The AID management burden could be reduced by allowing NGO grantees to contract for technical or management assistance from within their grants and/or more carefully shaping the role for the IQC firm or firms. The IQC could be tasked to perform a range of <u>recurring functions</u> as well as deliver <u>special assistance</u> as required by NGOs and approved by USAID.

How such functions might be covered under the contract:

- Special tasks, like those done under the present Co-Fi, could include assisting NGOs of particular interest to USAID to strengthen management capacity, including developing registration eligibility prior to their being considered for grants; or after receipt of grants assisting in a range of institutional development actions such as providing management advice on governance, development of baseline data and monitoring, personnel, file, computer, training or other systems.

- Recurring tasks might include: screening against announced criteria, and "batching" of concept papers or proposals (forwarding to USAID those ready for interior-USAID consideration); doing initial management assessments of applicant NGOs as directed by USAID; working with NGOs to develop full proposals and preparing "actionable" documentation for possible USAID contract action; receiving grantee reports and preparing monitoring summaries of all active grant activities.

The type of grants categories and the way the technical screening and IQC management is organized will dictate the management burden on the Co-Fi Unit. This will then determine how much time the staff will have available to circulate within the NGO community to keep in touch with trends, individual NGOs and consortia or grouping of NGOs, bringing into the Mission interesting ideas and discoveries and generally representing USAID among the NGO and donor community.

The advantages of such an approach and management option:

- It allows USAID to shape a Co-Fi follow-on project to fit known management capabilities.

- Provides direct continuity with the present Co-Fi but facilitates the extension of services to a larger number of NGOs.

- Represents an implementation mode that can be either expanded or contracted as USAID funding availabilities change.

- Could be set up and reach effective implementation in relatively short period of time.

- Allows a range of NGOs to directly access USAID as opposed to the process which many NGOs dislike of having access to funds only through intermediaries, and assures that NGOs have access to specialists within USAID who view NGO needs holistically.

- Places some USAID staff continually in touch with trends of development and change in the dynamic, Kenyan NGO community.

- The use of consortia grants will alleviate the NGO registration bottlenecks.

- Offers a cost effective approach to implementation.

- The Co-Fi and the new Democracy and Governance Project are run from the Project Office. The latter project operates in part through NGOs. Many tasks relating to assessing NGO management and meeting NGO strategic planning, financial system, monitoring and evaluation needs will be common to both projects. In-house staff and management assistance through outside firms might usefully be shared between both projects.

The disadvantages:

- Requires considerable initial effort to define the shape of components and contract with an outside firm or firms. Continual management interaction and oversight is required.

- Has a significant project operating in a range of activities that do not as directly or immediately impact on Mission's Strategic Objectives as do technical office projects.

OPTION 3, ("In-house Technical Office Option") in many respects may be the easiest way to proceed. This approach and management option would retain the advantage of having an umbrella project for NGOs but would offer the technical offices the opportunity (much like the present Co-Fi does but in a much more directed manner) to consider and work with NGOs operating in their sector outside the scope of their standard program. A PVO PSC specialist located in the Projects Office would be available to make suitable cooperating arrangements with the technical offices for this option. Applicants with specific institution building needs and/or interesting experimental or innovative approaches in a given sector could come either to the technical offices or to the Projects Office.

The bulk of Co-Fi funds would be sub-allocated to specific technical offices.

The advantages of such an approach and management option are multiple:

- The approach is well focussed and more clearly aligned to Mission strategy.

- Co-Fi funds would retain their umbrella characteristic of being available to react to good ideas from the NGO community but would be used in such a way as to supplement the fund-limited portfolios of the technical offices. Activities funded could provide a "window" not otherwise available to technical offices into aspects of their sectoral operations which are not part of their present program.

- Technical offices could set their own general criteria for the range of activities of most interest to them.

- Technical offices have the capability to provide technical assistance in their sectors and enter into direct dialogues with NGOs on technical matters.

- Consideration of an activity in a given technical office would obviate the need for Project Review Committee involvement.

- PHD and PED, with their existing management assistance and institutional strengthening activities, could make these available to their Co-Fi funded NGOs.

- Projects Office assistance would allow technical offices to manage the additional Co-Fi activities without straining their existing human resources.

The disadvantages:

- The main one disadvantage is that such an approach would block the Mission from being flexibly involved with the NGO sector during a very interesting time in the history of NGO development and change in Kenya.

- Also, there may occur some confusion and delay in assigning a project to either the Project Office or to the concerned technical office. NGO grant proposers may become frustrated or confused over which office is in charge.

A slight modification of this approach and management option would be to have the bulk of Co-Fi funds available to implement the above, but reserve some small amount for programming by the Project Office Co-Fi Unit itself. This could provide for continuity of some Co-Fi projects already underway (but given only limited funding near the end of the present Co-Fi), and allow Co-Fi to still consider supporting some limited targets of opportunity such as the needs of the NGO Council.

Conclusions:

The most attractive option from the point of view of flexibly meeting the institutional needs of a wide range of NGOs in Kenya is Option 1. It may be that embarking on such a new course and setting up such an intermediary at this time are militated against by the circumstances the Mission finds itself in at the present time.

If the Mission is determined to keep the idea of an umbrella program specifically in its portfolio, whether it considers Option 2 or 3 superior depends on the degree to which it desires to operate programs of and for NGOs and keep involved with the NGO community as such versus choosing to focus its resources mainly against achievement of specific strategic objectives. If the former, Option 2 should be pursued with vigor and dispatch. If the latter, Option 3 offers the most attractive alternative.

Recommendations: The MSI evaluation team recommends that the conclusions and recommendations presented throughout this document, and the options listed above be discussed at all appropriate Mission fora prior to presentation and consideration by the Co-Fi Design Team. This document would then become a foundation for any further Co-Fi design or implementation action.

ANNEX A

PVO CO-FINANCING PROJECT (615-0236)-END OF PROJECT EVALUATION

SCOPE OF WORK

1. **ACTIVITY TO BE EVALUATED**

This Scope of Work calls for an end-of-project evaluation of USAID/Kenya's PVO Co-Financing Project (615-0236). This is a $12 million ten year project (1985-1995) which aimed to improve the development impact of PVOs in Kenya through direct financing to the PVOs and the provision of various forms of institutional support. The purpose of the project is to assist PVOs in Kenya to increase their development impact by strengthening their institutional, implementation, and beneficiary outreach capabilities.

The evaluation will focus on achievement of project objectives, design and implementation performance.

2. **PURPOSE OF THE EVALUATION**

The purpose of the evaluation is to determine achievement of purpose/EOPS, effectiveness of the management mode and general impact on PVOs assisted.

The Project Completion Date is April 30, 1995. At this point,therefore, there is a need for an evaluation that carefully examines purpose achievement, experiences to date, and lessons learned to inform decisions about future directions for a proposed follow-on project. The information gathered and analysis thereof will be used in the design of a new PVO project.

3. **BACKGROUND**

The PVO Co-Financing project was initially designed to operate through a local PVO umbrella organization, but was revised in 1988 when it became evident that this arrangement was not achieving optimal results. Since July 1988 the project has been implemented directly by USAID/Kenya.

ATTACHMENT 1

PVO CO-FINANCING PROJECT (615-0236)-END OF PROJECT EVALUATION

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3. BACKGROUND

The PVO Co-Financing project was initially designed to operate through a local PVO umbrella organization, but was revised in 1988 when it became evident that this arrangement was not achieving optimal results. Since July 1988 the project has been implemented directly by USAID/Kenya.

The original survey work for the design of the project, carried out in 1984, indicated that there are a multitude of PVOs or NGOs operational in Kenya. A 1987 survey by the Kenya National Council for Social Service indicated that there were at least 400 PVOs operational in Kenya at the time. This is seen as a great asset to Kenya in terms of the potential of these organizations to contribute to Kenya's social and economic development. During the design PVOs were seen by USAID as a valuable institutional resource, particularly well- adapted to reaching the grassroots and poorest levels of Kenyan society. It was agreed that working through these organizations, a unique contribution could be made to Kenya's development.

The PVO Co-Financing Project is made up of three components; a grants fund, an international training component, and an institutional strengthening component. Under the grants fund, the project responds to both solicited and unsolicited proposals. Other than the technical merit of the proposal it is a requirement that the project provide one-third of the total cost of the project in cash or in-kind or both. Under this component the project has made 17 grants of two to three years each to US and Kenyan PVOs.

The second component of the project provides short-term training to Kenyan staff of PVOs in areas of expertise that are not locally available. These areas of expertise have to be related to developing the institutional capacity of the PVO. Under this component the project has provided short-term overseas training to 43 NGO staff of whom 21 have been women.

The project has also organized and financed four workshops on subjects focusing on developing the institutional capacity of PVOs. A total of 120 participants have participated in these workshops.

The third component of the project provides technical assistance to PVOs that would otherwise not meet USAID's eligibility criteria for direct funding or to those PVOs that specifically request technical assistance. Under this component the project has provided technical assistance to five PVOs.

Because the project responds to both solicited and unsolicited proposals, the various grants have always been at different stages of implementation. Areas of sectoral focus are diverse and cover child survival, agriculture, water management, income generation, technical training, health, and wildlife conservation. In most of these cases, however PVO Co-Financing support is focused on developing the capacity of the organization to carry out development more effectively. In this way the project is able to focus on innovative activities that can be developed into programs that support the Mission's strategic objectives.

4. STATEMENT OF WORK

A. Evaluation audiences and general approach

Because of the collaborative nature of this project, the success of this evaluation will depend on its ability to address the needs of the evaluation audiences. These are USAID/Kenya, GOK and the Kenyan NGO community. USAID would like to know if its original premise in working with PVOs through this project is still valid and if so, in what ways USAID can build on the experience attained so far.

The NGO community may want to provide some opinions as to whether USAID strategy has helped them make a difference in their programs. In addition to addressing the discrete interests of these various audiences, the evaluation will assess the cross-cutting concerns of these audiences that arise from their interaction in the implementation of the project, as well as from a comparison of the discrete interests of each NGO. The evaluation should be an interactive process, involving the PVO Co-Financing project and NGO staff where appropriate.

The evaluation will need to assess qualitative as well as quantitative concerns. This is so not only because of the qualitative nature of some of the project outputs implied by the institutional building focus of the project, but also because of the collaborative implementation mode and its reliance on the quality of the relationships involved.

B. Key evaluation questions

The evaluator will conduct an evaluation that focuses on issues of management, effectiveness of implementation, appropriateness of data collected, complimentarily with NGO needs and with USAID development strategy. In this respect therefore, the evaluation will focus on, but not be limited to, answering the following questions:

Project Objectives and EOPS

- To what extent did the project achieve its institutional strengthening, sustainability, and beneficiary impact objectives?

- Were EOPS met? If not, what were the key reasons for non-achievement?

- What were the key constraints to the implementation of the project and how were these dealt with?

o **Management:**

- To what extent were the recommendations of the mid-term evaluation implemented? Did the changes put in place make a difference with respect to efficiency/effectiveness and quality of implementation oversight?

- How does the PVO Co-Financing project differ from sector- specific NGO activities supported through technical offices?

o - Examine the role of the project in respect to US PVOs and established Kenyan PVOs?

- What have been the key management challenges for the project and in what ways did they affect project implementation?

- Did project grantees and USAID have a similar understanding of "institutional development?" How is institutional development understood by beneficiary NGOs?

- **Project Design**

  - Was the initial design appropriate and relevant for the needs of NGOs in Kenya? Would achievement of results be enhanced by any particular changes?

  - How effective has the management mode been, taking into consideration the role of a) IQC Contractor, b) Management Contractor and c) the Project Review Committee?

  - What have been the pros and cons of having an open project design that reacts to ideas from the NGO community? What were the pros and cons of the resulting diversified sub-project portfolio?

  - What are the lessons learned so far in respect to:

  - Increasing the development impact of PVOs?

  - Strategies for developing institutional capacity?

  - Strategies to increase number of beneficiaries?

  - New approaches to working with PVOs?

  - Options for managing multiple and distinct PVO activities under one rubric?

- **Project Monitoring and Implementation**

  - Assess the usefulness of the indicator tracking system. Assess the effectiveness of the other monitoring methods used.

  - What lessons have we learned from the various grantee evaluation reports in respect to strengthening institutional capacity for effective performance?

  - Assess the sustainability of activities funded under the PVO Co-Financing project.

  - Do beneficiary PVOs have a diversified resource base? Have they established links with other organizations as a result of USAID assistance?

  - To what extent did the grantees adhere to AID guidelines in financial management and technical implementation?

- What was the relationship between the grantees and project management staff? Did this relationship have an impact on implementation/institutional development of the recipient? What sort of impact?

o **The Project and the PVOs**

- How does the project's development strategy relate to that of Kenyan PVOs in this era of multi-party politics? How does it relate to the role of US PVOs in Kenya's development?

- To what extent, if any, does/can the project provide a mechanism for the Mission's regular dialogue with Kenyan and U.S. PVOs on experience and areas of mutual interest? What forms can collaboration between the PVO and the Mission take?

- How successful has the project been in facilitating networking between a) Kenyan PVOs and b) Kenyan and U.S. PVOs?

o **The Project and the Mission**

- Is the project contributing to the realization of the Mission's strategic objectives? In what way?

o **Evaluation**

- How effective is project staff input into evaluation and project monitoring efforts of the grantees?

o **Other**

- Did the project meet obligation/expenditure targets? What were the key constraints, if any?

- What new areas of focus should the PVO Co-Financing Project be considering?

- To what extent did the project include gender considerations in its design and implementation and in what ways can this be improved?

C. Responsibilities of the evaluators

It is anticipated that the evaluation will be carried out by a three-person team (at least one of whom is a local hire) on a full-time basis over an approximately seven-week period starting on/about September 15 1994. The evaluators will have the following responsibilities.

Preliminary Background Investigation:

The evaluators will review all project documentation, including the original and amended project papers, grant agreements and other papers as well as evaluations carried out to date. I addition, they will review documentation of other PVO activities in the Mission, and the impact assessment study of the PVO Co-financing project.

AID Interviews:

The evaluators will interview project management staff, the Chief, Office of Projects, and Members of the Project Review Committee to get an in-house understanding of project implementation. The team will also interview the Mission Director and/or Deputy Director and Office Chiefs for an understanding of USAID/Kenya's NGO policy.

Visits:

In order to gather adequate data, the evaluators will visit the headquarters of all grantees. In addition, field visits should be made to at least four project sites for an in-depth review of their activities. For the other components of the evaluation, a shorter amount of time will be necessary to visit the IQC contractor, the management contractor and to visit a sample of returned trainees.

Reviewing/Planning session:

Near the end of the evaluation period, the evaluators should organize and facilitate a working/strategic planning session with the key PVOs and USAID. This session will involve presenting findings, discussing the "action decisions" of the evaluation, exploring future possibilities for the project, and highlighting some ideas toward this end. This session will also examine the Mission's overall PVO activities and strategy for addressing PVO issues.

Reporting requirements:

The evaluation team will be expected to present a work-plan for carrying out the evaluation. This plan will need to be discussed and approved during the first week of the evaluation period. The plan should provide for a draft report and final written report as well as weekly or bi-weekly oral reports throughout the course of the evaluation.

5. **TIMING AND LEVEL OF EFFORT**

The evaluation will require approximately twenty one person-weeks (i.e., approximately seven weeks for a three-person team), and should commence on/around September 15 1994.

6. **TEAM COMPOSITION AND QUALIFICATIONS OF THE EVALUATORS**

The team should be comprised of at least three people, one of whom must be a local hire who understands the Kenyan PVO environment very well. The contractor will be responsible for identifying and contracting the local hire team member. It is suggested that the team have a mix of skills in development studies/social sciences and management and financial analysis. Experience in evaluation of PVO projects, familiarity with different management modes for PVO projects, a background in management/organization development and a masters degree are required. Preference will be given to those with knowledge of donor funding/programs in Africa. Knowledge and experience with gender issues are desired. The specific experience, skills and qualifications of the evaluation team will be rated as follows:

1)	Experience in evaluation, especially of PVO Projects.	25%
2.	Familiarity with PVOs and differing management modes of PVO projects in Africa.	25%
3.	Background in management/organizational development.	20%
4.	Knowledge of and experience with gender issues.	10%

5. Educational background (at the Masters and/or Doctoral level) in management, public administration, financial analysis, development studies, and/or the social sciences

20%

7. **REPORTING RELATIONSHIP AND RESPONSIBILITIES**

The evaluation team must have a chief of party who will report to the Chief, Office of Projects or her designee and through her to the Mission Director USAID/Kenya.

8. **DELIVERABLES**

The consultants will:

Brief the relevant Mission Staff on proposed methods of study, etc.

Submit evaluation instruments, i.e, Questionnaire, framework, etc., at least one week prior to field work.

Conduct a workshop with grantees on findings and future options.

Submit four (4) copies of a draft report of findings by end of fifth week.

Submit 25 copies of a final report by November 10, 1994.

Debrief Mission Staff.

9. **PAYMENT PROVISION**

Delivery of evaluation questionnaire	20%
Final Report	80%

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ANNEX B

ANNEX B

Interview List

A. **NGOs**

Interviewee/Organisation/Position

1. Francis K. Muthoka, ADA Program Director
2. C. Aleke Dondo, KREP Deputy Managing Director
3. Dr. Maria Nzomo, NCSW Chair person
4. Mrs. Julie Ongundi, NCSW Treasurer
5. Dr. Olembo, CHAK Director (designate)
6. Chrispus Karingithi, WV - K Director (Programs)
7. James Alego, WV - K Project Manager
8. Mrs. Loisa Owiti, YWCA General Secretary
9. Harun Baiya, VITA Res. Rep
10. Carren Omwenga, KFFHC Program Development Officer
11. James Khachina, CHAK Out-going Director
12. James Aremo, KFFHC Director
13. Grace Oloo, PRIDE-K General Manager
14. Gilbert Arum, KENGO Program Officer
15. John Batten, ActionAid Country Director
16. Murtaza Jaffar, NGO Council Director
17. Achoka Awori, KENGO Director
18. Iskandar, Care Country Director
19. Muhoro Ndungu, Care Program Officer
20. Paul Maina Mugo, FSK Director
21. Esther Mbiyu, CHAK Program Officer
22. Kieth Disselkoen, CRWRC Country Rep.

23. Elkana Odembo, World Neighbors Res. Rep./NGO Council Chairman

24. Beth Mutuku, YWCA Program Officer

25. Alfred Amisi, PFP General Manager

26. Dr Amina Twahir, Mkomani Clinic Doc. Incharge

27. Nick Brewer, Saidia Project Director

28. Moses Parantai, Saltlick Project Director

29. Robin P. Slade, Saltlick Executive Director

30. Dr Allistair Sammon, Chogoria Hospital Doc. Incharge

31. Joyce Riungu, Chogoria Hospital Project Director

32. Margaret Riungu, Chogoria Hospital Project Director

33. Ole Shukuru, Saidia Accountant

34. M Gitau, TOTOTO Director

B. **Donors**

1. Maria Nordenfelt, SIDA Program Officer

2. Patricia Scotland, ODA NGO Co-ordinator

C. **USAID**

1. Dennis Macarthy, Agriculture Chief

2. Steve Ndere, Program Office Evaluation Officer

3. Nimo H. Ali, Program Office Program Specialist

4. Gray Lienen, PHD Deputy Chief

5. Zack Ratemo, PED Project Specialist

6. Nancy Gitau, Project Office Project Specialist

7. Sam Mwale, Agriculture Office Agri. Program Specialist

8. Thomas Hobgood, PED Chief

9. Steffi Meyer, Projects Chief

10. Mary McVay, PED Program Officer

11. Victor Masbayi, PVO Co-Fi Unit Manager

12. Andrew Jeffrey, Contracts Contract Officer

13. Kate Colson, PHD Program Officer

14. Judith Robb McCord, PHD Intern

15. K. Toh, Acting Director

D. **Other**

1. Phillip Kinisu, Price Water House Partner

ANNEX C

ANNEX C: STUDY GUIDES AND QUESTIONNAIRES USED DURING EVALUATION

ANNEX C

"ROUND ONE" STUDY GUIDE FOR NGO INTERVIEWS

I. Brief NGO Background

Briefly sketch your NGO's background, highlighting its historical milestones, sectors of activities, geographical coverage, staffing position, active donors at the moment and the size of your current budget.

II. Difficulties the NGO Currently Faces

What are the five most pressing problems facing your NGO currently leaving aside the shortage of funds, in carrying out your work?

III. Relationships With Government and Other NGOs

How would you describe your relationship with the government bearing in mind the new legislation, requirements for re-registration, DDCs' insistence on working through them in the districts and other such areas? Is your NGO a member of the NGO Council? What roles do you forsee for this Council in working with NGOs? Is your NGO a member of other networks? How could networking be improved?

IV. NGO Governance

Briefly outline the key elements of your NGO's governance as well as its internal organisation and and management decision-making relationships. (External Boards, Kenyan Boards, Advisory Committees, Key personnel and their roles, etc.)

V. Institution Building

What is your NGO's definition of institution building? Would you illustrate this with the key indicators that you use to measure this aspect and explain the activities that you are currently undertaking towards the building of your institution. How do you distinguish between institution building and institutional sustainability? Describe a sustainable NGO.

VI. Proportion of PVO Co-fi Grant That Went Towards Institution Building

What proportion of the grant from PVO Co-fi went towards institution building and to what activities was it applied?

VII. NGO's Evaluation of PVO Co-fi's Performance

What are your opinions regarding the performance of PVO Co-fi's in the following areas: applications intake processes, assisting applicant NGOs to understand and meet requirements, processing the grants and releasing the funds, quality and organisation of its workshops, quality and organisation of its overseas training, promoting networking, quality of its contractors and any other aspects.

VIII. Future Design Suggestions

A new PVO Co-fi Project is about to be designed. Based on your experience with the

project and other donors, suggest areas that you would like to see designed differently for enhanced performance and increased impact.

IX. National Trends and Emerging Roles of NGOs

Give us your reading of the trends that Kenyan communities' development are likely to take bearing in mind such factors as the multi-party political situation, structural adjustments, increased privatisation of services, fast growing population and rising ethno-centricity. What emerging roles do you for see for the NGO's?

X. Preparing NGOs to Handle the Emerging Roles

How can NGOs best prepare and transform themselves to be best placed to handle those changing demands? Do you see certain roles for donors in assisting NGOs in this process of transformation? Should donors also undergo certain transformations -- if so in what ways?

>>>>>>>>>>>>>><<<<<<<<<<<<<<

Other Areas Requiring Investigation According to Nature of NGO

- Partnerships between US and Kenyan Emergent NGOs (for US PVO & Kenyan partners)
- Circumstances in which such partnerships are desirable
- Crucial roles of US NGOs in such partnerships
- Bringing about equity and mutual sharing in such partnerships

Conclusion

As need be, request permission to have discussions with a few members of staff, say 3 -- one financial and two programme.

PVO Co-Fi Final Evaluation

FILE AND PRIOR EVALUATION REVIEW CHECKLIST

PROJECT TITLE:
AMOUNT:
SECTOR:

1. DETAILS OF SUB-PROJECT:

Is the purpose above different than the normal activities of the NGO?

*Was there an increase in the nos. of people benefiting from the NGO's regular projects.

*Was (Will) the project (be) institutional strengthening, and if so, have (will) any additional relationships in the NGO's environment been (be) established? **With whom?**

*As a result of the PVO Co-Fi project, is the NGO using improved management financial and implementation systems?

*Have (will) beneficiaries had (have) local training under the project's budget and if so how many?

*Had the NGO developed a system for collecting baseline data by the end of its first year of implementation?

2. BUDGET ANALYSIS. What were PVO Co-Fi funds used for in terms of instituitonal strengthening, if obvious?

*Were monthly financial reporting requirements met on a regular basis?

*Were budgetary and work plan targets met? Budgetary:
Work Plan:

*Does the NGO now have a financial management system?

3. QUALITY AND CHARACTER OF NGO-USAID RELATIONSHIP What was the impact of the Co-Fi project on the NGO? (Notes on whether the relationship was positive and mutually respectful, trouble free or problematic, and any evidence of expectations for institutional strengthening--strategic planning, long term NGO viability, etc.)

*Relationship:

*Institutional strengthening:

*Long term planning:

*Have narative quarterly reports been on time?

4. EVALUATION REPORTS (Notes on major conclusions and recommendations). Was the sub-project judged successful in terms of service delivery and beneficiary impact?

*Were there shortfalls and deficiencies that any evaluation reports might have mentioned?

*Is the NGO being managed well?

*Does the NGO have a strategy for sustainability?

*Will the project's activities continue after project? If so, how will it be financed?

*Has any property been turned over to communities (what is it) and is there a maintenance plan in place?

*Is the NGO now using an evaluation systems to support its future planning and implementation process?

5. RELATIONSHIP OF ACTIVITY TO MISSION STRATEGIC OBJECTIVES
Are there any indicators of improved self reliance?

*improved income of beneficiaries?

*Improved value of labor?

*Does the NGO have a gender policy?

USAID STAFF PERSPECTIVES ON NGOS

Brief introductions -- purpose of our study: to look back and summarize in form of final evaluation the PVO Co-Fi project, to look ahead to suggest design characteristics of follow-on project.

A. Non-Co-Fi NGO Support

1. Nature and extent of your (the Office's) work with NGOs? (Size and number of grants or cooperative agreements? What percent of Office's overall effort?)

2. Why are NGOs the chosen mode? What particularly do NGOs offer that can not be obtained by other means?

3. To what extent are NGOs in your sector used simply as a means to accomplishing AID's Strategic Objectives versus other reasons such as to encourage participation, advance civil society, institutionally strengthen community organizations?

4. Do your support arrangements with NGOs provide for institutional strenthening of each agency involved? In what ways?

5. Overall are you pleased/satisfied with the implementation impact of NGOs involved with your program?

6. Future Plans for implementing Office's portfolio: more, less of NGO involvement, ideas for different characteristics of how support will be given?

B. PVO Co-Fi

1. How do you differentiate above with activities under PVO Co-Fi? What do you see as the distiguishing characteristics of the PVO Co-Fi project?

2. What has been the nature of your involvement with PVO Co-Fi?

3. What have been the interactions between your own NGO portfolio and that of PVO Co-Fi?

4. What are your impressions of the effectiveness of PVO Co-Fi?

5. Are there particular ways Co-Fi could have been more effective?

6. What are you ideas for the nature, composition, character of the PVO Co-Fi follow-on project?

ANNEX D

ANNEX D: WORKSHOP AGENDA AND NOTES FROM MEETING

USAID - NGO COLLABORATIVE PLANNING SESSION FOR A NEW FIVE YEAR PHASE OF PVO CO-FINANCING PROJECT

PURPOSE: TO GET THE VIEWS OF INDIVIDUALS FROM THE NGO COMMUNITY ON OPTIONS FOR THE DESIGN AND OPERATION OF A NEW USAID CO-FINANCING PROJECT.

AGENDA

9:00-9:15 INTRODUCTIONS AND DISCUSSION OF AGENDA

9:15-10:30 PLENARY DISCUSSION: SETTING THE STAGE/THINKING FROM THE NGO POINT OF VIEW--THREE SUBJECTS AND MORE....

Subject 1: What are the key trends in the Kenyan economic and social situation that will impact on NGOs?

Subject 2: What changes, adaptations or improvements must NGOs make to make their contribution most effective in the next five years?

Subject 3: What changes, adaptations or improvements must donors make to support NGOs more effectively?

10:30-11:00 TEA/COFFEE BREAK

11:00-11:30 PRESENTATION: NGOS AS PART OF USAID'S OVERALL PROGRAM
Stephen Ndele
USAID Program Office

11:30-12:00 PRESENTATION: CHALLENGES IN OPERATING THE PVO CO-FI PROJECT
Victor Masbayi
USAID Project Office

12:00-12:30 PRESENTATION: EVALUATION CONCLUSIONS AND MAJOR DESIGN ISSUES
MSI Team

12:30-1:30 LUNCH

1:30-2:00 PLENARY: SETTING A MEASURABLE OBJECTIVE FOR USAID

2:00-3:00 GROUP WORK--1) MEANS AND 2) CATEGORIES AND CRITERIA

3:00-3:30 TEA/COFFEE BREAK

3:30-4:15 PLENARY: GROUP REPORTS AND DISCUSSION

4:15-4:30 PLENARY: NAMING, NEXT ACTIONS, CLOSE

ANNEX D

PVO CO-FI EVALUATION MEETING
MAYFAIR HOTEL
NOVEMBER 10, 1994
MINUTES

Meeting facilitated by Management Systems International Team Members: Ed Glaeser, Daudi Waithaka and Robert Russell.

Participants from the NGO/USAID community:

1. Mary McVay - USAID/PEO
2. Achoka Awori - Kengo
3. Iskandar - CARE
4. Muhoro Ndungu - CARE
5. Harun Baiya - VITA
6. Esther Mbiyu - CHAK
7. James Allego - World Vision Kenya
8. Keith Disselkoen - CRWRC
9. Grace Oloo - PRIDE/K
10. Victor Masbayi - USAID/PVO Co-Fi
11. Beth Mutuku - YWCA
12. Elkanah Odembo - World Neighbors/NGO Council
13. Stephen Ndele - USAID/Program Office
14. Murtaza Jaffer - NGO Council
15. Paul Maina - FSK

Meeting opened 9:35, Introductions.

Ed Glaeser, intro: 3 feedback statements about donor/NGO relationships. (a) AID has a paucity of funds, but Co-Fi has the capacity for a new 5 yr. project. (b) Republicans in Congress may have influence over the immediate future of AID policies and funds available. (c) "AID is listening" to NGOs either directly or through workshops like this one as AID shapes the Co-Fi project.

This workshop is to let you influence the PVO Co-Fi design.

Plenary Discussion: Subject 1: From the NGO point of view, what are the key trends in the Kenyan economic and social situation that will impact on NGOs?

Participant response ("Res"): Government is providing fewer and fewer services. NGOs must decide what they will do: replace services or continue their own priorities. This may be a result of structural adjustment (SA). programs. There is a larger proportions of poor people than 10 years ago for NGOs to respond to.

Res: SA is changing government's concept of their responsibility for services. Even increased revenues may never result in return to early levels of service provision.

Res: Presently, there are 400 registered NGOs, 250 pending, and 150 waiting on definition of status at the NGO Council. There are more than 600 generally accepted nation wide. Over the last 5

years, this is a substancial increase in NGOs.

Res: Does the increase in NGOs carry a value: we have increasing numbers with no significant increase in resources both money and human: what does this mean for the quality of NGO services?

Res: The more the merrier.

Res: New technical areas are emerging, street children, advocacy, these new areas are leading to new groups being created to cater for them. Still, government reduction in services is not really being met by the expanding NGO base. NGO's "capacity building" should mean the capacity to respond to the changing NGO market.

Res: NGOs see changing needs almost immediately, but donors seem to be too preoccupied to respond. The donors are not responding to the changing market as quickly as the NGOs.

Res: Government gets out of certain service areas, and NGOs fill them: is this a good or bad response for NGOs? Is it our business to replace government services or fill government gaps as we have done traditionally?

Res: NGOs must be better coordinated than at present so duplication doesn't reduce the value of donor funds as government reduces its services.

Res: Not all areas of services can be delivered evenly geographically. Somebody hasn't thought through the transition and handing over from government to the NGOs. If NGOs take over government services, shouldn't they take responsibility for tax revenues? NGOs don't have such a good trail of accountability to the people but there hasn't been a crisis in this yet.

Res: NGO accountability to communities is presently an issue for the NGO Council. Handing services over to NGOs is not an answer for government. NGOs can't take over broad areas of service delivery because of our scattered technical interests and limited geographical coverage. NGO resources are not reliable: not like a regular tax base. Kenyan NGOs may find themselves worst off in the future when donor funds go through a reduction cycle if they now transition over to delivering government services.

Res: Government wants to implement a social program of economic and service adjustment, no longer running hospitals, but it will encourage private investment to deliver service. Government is moving one step away from delivering services, but not really away from service responsibility and control of tax funds for privatized service delivery.

Res: Political trends: NGOs either have or do not have an enabling environment. Advocacy, and a more open political environment is not necessarily either good or bad. Things can happen either way. Openness has increased, but what will openness lead to?

Res: Basic political rights awareness will certainly grow, and this will have an effect in the future.

Ed Glaeser: What is happening with the earlier NGO consortia group the National Council of Social Services?

Res: It may be reawakening but no one knows for sure.

Plenary Discussion: Subject 2: What changes, adaptations or improvements must NGOs make to make their contributions most effective in the next five years?

Res: NGOs will have to become market oriented, and at the same time be better connected with community needs.

Res: NGOs should also try to avoid duplication and cooperate in more significant ways. They should be able to communicate and then coordinate services and skills to best utilize their resources.

Res: NGOs need to improve their accountability to their communities.

Res: Are NGOs really accountable to their communities or to their Boards, or their donors?

Daudi Waithaka: Have NGOs defined who their constituencies really are, their communities, their owners, or their donors?

Res: NGOs still need to learn they should be able to "pack and go" after providing services and training up to their "end of project status". Most can't, most don't, most won't.

Ed Glaeser: have any of you changed or adapted your operations since 1992 and the political freedoms that have emerged?

Res: Yes, NGOs have begun to practice improved governance internally. Advocacy NGOs practice this as they are newer, but development NGOs don't really know how to build internal governance while they lobby for governance processes for their clients. Advocacy NGOs are better at this than older ones.

Res: As the multiparty era emerged, YWCA had restructured their policies and training focus to accommodate the needs for empowering women to take on now available political power.

Res: VITA took on a strategic reevaluation process that took two years. Head office asked Kenya office to reassess their own environment. It was a significant change.

Res: The emergence of a confident entrepreneurial class has signaled NGOs to support them to move forward.

Res: We have changed our methods because of reduced government services. We are training for these changes in government's

responses to SA.

Res: As a result of party politics, we have changed.

Res: We have had to increase our accountability to our villages and donors, we have changed our approach to development. We now see ourselves more as facilitator than service deliverers. We are reducing staff drastically to respond to facilitation roles, not service delivery.

Res: Accountability: if NGOs are to be more accountable to the community, then NGOs needs to make the community aware that they must be more accountable with each other.

Res: NGOs, because of their now more responsible role in society, must be able to begin to influence policy change with government as part of their behavior.

Tea.

Plenary Discussion: Subject 3: What changes, adaptations of improvements must donors make to more effectively support NGOs?

Res: Donors have to learn how to recognize and accommodate the process of internal change within NGOs. Now, once a grant project has been signed, it is locked. It doesn't respond easily to the dynamic changes in the project's target society. This in turn reduces the ability of NGO to be responsive to ever changing community conditions and needs. As people become more democratic and transparent the communities will change more rapidly. KENGO stopped every 5 years to reassess their priorities: it has always been a problem to get donors to move priorities with them. You must support innovation: donors can't respond to requests in a way that blocks the NGO's ability to be innovative and responsive.

Res: NGOs are not institutions, they are organizations. There is no permanent core funding for core institutional development and sustainability development. They are not part of the village or community, they are like rain clouds, in between the village ground below, and the donor sky above. Reverse accountability (accountability of the donor to the NGO) is terrible or nonexistent. Policies come from abroad, not locally. Too few local faces are seen in the offices of the donors. When an FSN is there, they have very little power. There needs to be smaller funding units and more discussions of sustainability which still remains a fuzzy concept. Government of Kenya doesn't work with donors to formulate policies, and donor's short, two or three year project time lines doesn't help solve long term problems.

Presentation: NGOs as part of USAID's overall program.
Stephen Ndele, USAID Program Office.

AID programs work extensively through NGOs, about 80% of all funds

goes through NGOs. But these are contractors, commercial firms, US PVOs, and local NGOs. Only 1.3% went to GOK.

An NGO is defined how by USAID? To get funds from USAID you need to be a PVO. A philanthropic organization, not a college, not religious, nor church engaged in exclusive religious activities. However, commercial firms, contractors are also NGOs eligible to compete for USAID Kenya funds.

Q. How many of these are foreign and does AID have a policy of targeting national NGOs? A. In Pop, 10 are US out of 19 total. In enterprise, there are 4 local 1 US. PVO Co-fi, most are local, some US that have local affiliates.

Res: There is a perception that AID is a monolith that can't be accessed.

Res: AID should have a policy to target indigenous NGOs and work to reduce the large commercial firms and wholesalers. Lots of money is eaten up at higher levels.

<u>Presentation: Challenges in operating the PVO Co-Fi project. Victor Masbayi, PVO Co-Fi Project Officer.</u>

PVO Co-Fi was a radical departure from other AID activities at the time of its concept. Most other AID funds at that time went to Government of Kenya. Now, almost all of USAID's investment is through NGOs. PVO Co-Fi remains a very small portfolio within AID. Designed in '85. Increase the development impact of NGOs in Kenya.

An umbrella org. was used as a pass through agency. By 1987 the umbrella org. had spent 900,000 and not a single grant had been made. 1988 was spent redesigning the program. Project Manager with be joined with a financial expert and a program expert to support the PM. Team would short list based on criteria, and send resulting papers to a PRC, one each from the technical offices.

Sustainability was linked to the NGO delivering more services to beneficiaries. These were set as a criteria.

Both US and Kenya's NGOs were considered. One guideline. As long as you could proposal could satisfy all criteria it didn't matter if you were Kenyan or US.

Three challenges to the project:

a) within USAID itself, GOK problems, and challenges from the NGO sector. When we speak of ID/S how do we define these? How do we measure after grant? This has been fuzzy;

b) managing on a day to day basis. The PRC is difficult to coordinate all tech. offices; getting consensus has been time consuming. Transition from AID giving to GOK to NGOs, has been reconciling new tech office activities and old PVO Co-Fi mandate;

c) reduction of funds over these years has caused competition for funds, including PVO Co-Fi. Turn over of US staff has been a vary disruptive. Providing services and constantly gearing up new staff has been difficult. PVO Co-Fi also has a difficult time dividing ID/S service delivery with the NGO grants service delivery component.

Other challenges: when GOK makes political statements against foreign donors or the NGO community it causes anxiety, reassessments of donor commitments.

The new NGO Act. Government now has approval power over NGOs. AID needs a grantee NGO to be registered with the ACT. This policy transfers to the GOK power over who AID can deal with. The grantee must have duty free privileges. This complicates this Mission's mission: to develop whose capacity. Now it's to develop the capacity of NGOs approved by Government. Perhaps they don't have the capacity to register and get duty free privileges: a catch 22. Review of NGOs is now being referred to security agencies of Government. This is not sanctioned under this Act, and was exactly what NGOs feared.

Challenges from NGOs. NGOs don't seem to react to AID's materials and criteria: they are provided with material, but proposals often don't fit the criteria. Proposals are contrived and lack transparency of motivation and real purpose. NGOs don't seem to want to understand the constraints of the donor. Also, the TOs might in the last minute cancel a project: Victor then has to give a negative response after perhaps months of work.

112 project proposals have been received, funded 22 with grants. Technical assistance to 4. Trained 43 short term trainees.

Q. Have you resolved the problem between capacity building and service delivery? A. The real problem is can we do one without the other.

Q. How can you get relief of technical rejections that might result in very disappointing experience for the project-losing NGO?

A. Victor needs to generate more productive relationships with technical officers.

Q. Donor partner syndrome: does AID really want to be a partner agency? Also, having to be registered and having to be recognized as a non-taxed agency is a contradiction. State does not facilitate the raise of civil society and institutions, you fall into the hands of government by these requirements.

Q. ID/S, up to what level are you increasing the capacity of an organization? ID/S is an ongoing activity. Donors are institutions, NGO are organizations. These are different things, and ID/S indicators should be different for each.

Daudi. See: Findings and Conclusions.

Training Workshops: Strategic Planning, Sustainability, Monitoring and evaluation, How to formulate your grant.

Q. Can't we get more accountability traveling up the ladder? Some of the requirements we are forced to comply with meet few needs for the NGOs. Why should we develop a capacity that we can't pass on to anyone?

Res: Accountability is still an issue. NGOs are obligated by their own documents to certain accounting standards. AID then ignores this and imposes their own standards.

Bro presented: The Future of PVO Co-Fi: Major Design Issues.

Ed presented his flip chart on objectives clarification.

Ed uses the process of creating an statement of project objective to also establish criteria and categories, the statement is one step beyond a very broad statement as PVO Co-Fi has now.

Res: However, one participant sees that as the objective statement gets specific, NGOs are automatically edited out, and this reduces the plan to have an open and responsive donor project.

Res: As donors create their own subsidiary or implementing organizations Kenyan organization should be careful to watch what this does to their own policies and corporate positions with each other.

Res: Some grants can go to a consortia and destroy the consortia. However, some consortia grant blocks have been very successful. ie. CHAK.

Res: Giving a consortia a grant for its well known and familiar constituency can work well. One issue of the small consortia block grant is the overhead cost and the need of the organization to have programming capacity. Consortia would also continue to require USAID oversight to keep the consortia on target.

Q. Why don't we just look at the specific problems that Victor has stated, and let Co-Fi correct itself as is.

Res: The VADA experience was terrible. To risk another failure like this would be a mistake, and the risks of serious problems with a local consortia is not a problem USAID wants to face.

Res: Leave it with Victor, but give him more autonomy to get things done quickly.

Q. Is it feasible to change some of the regulations?

Victor: A. The contracting office can't change. But other features can be changed.

Res: It would be much wiser to deal with a US PVO than a local NGO. Local politics demand that the "owner" make his own community benefit first.

Res: There is preference to keep Co-Fi in house, but correct the time lag problems and contracting problems.

Victor: I doubt if we can get out more than 7 mil over 5 yrs. The process seemed to be the limiting factor in how many NGOs received funds, not the funds available. If human rights and democracy indicators improve, total available to Kenya will probably would go up. Also, the larger established NGOs will do as much as the new specialized advocacy groups.

Q. Why not build in compulsory 5% in staff development for advocacy and 10% compulsory for networking and communications?

Was there impact in technical ways of the project?

Daudi: yes, there was a lot of evidence of very substantial increased in beneficial levels and service provision.

Ed Summarized. Some at AID feel this is a very exciting project. Others need it to be clarified. Your input today will help us to make clear the options. We hope you had a good time and found the discussion useful. Thanks for coming.

The meeting adjourned at 4:30 PM.

ANNEX E

ANNEX E: "NGO INSTITUTIONAL DEVELOPMENT PROFILE ANALYSIS," DRAFT INSTRUMENT.

NGO INSTITUTIONAL DEVELOPMENT PROFILE ANALYSIS

DATE OF COMPLETION:_____

ORGANIZATION: _____

CATEGORY 1 OVERSIGHT/VISION

BOARD COMPOSITION AND CONTRIBUTION:

1. Board identified in part, but weak and not yet contributing/adding significantly to NGO operations.
2. Identified, properly composed but having negative, neutral or only slight effect on operations.
3. Stable group, exercising most prerogatives and somewhat helpful in advancing organization.
4. Recognized or qualified leaders, many of whom singly or collectively helping advance organization.

SCORE:_____

COMMENT:

BOARD ROLE--CLARITY

1. Members-members, member-ExDir roles unclear.
2. Roles relatively understood but not yet being exerted effectively.
3. Board exerting leadership in some areas, ExDir exerting leadership in some areas, some together, some quite distinct and disconnected.
4. Board policy direction and ExDir management/implementation interactions clear, interhelpful.

SCORE:____

COMMENT:

87

BOARD ASSISTANCE IN RESOURCE DEVELOPMENT

1. Not yet active in raising funds or providing contacts
2. Some efforts but sporadically and without intensity.
3. Board or some key members assist regularly
4. Significant contacts provided and funds raised by board, many members taking active role in assuring contact of NGO with key outsiders.

SCORE:_____

COMMENT:

MISSION CLARITY

1. No full current statement. Group coalesced and operating around general theme, sector or service delivery idea.
2. Statement exists but unclear or not consistent with actual portfolio of activities. Staff not fully conversant with it or using it as guidance in planning, etc.
3. Statement clear and consonant with portfolio. Staff largely aware of it and refer to it. Some outsiders can identify NGO as having mandate or focus implied.
4. Clear statement. Known inside and out as NGOs raison de etre.

SCORE:_____

COMMENT:

AUTONOMY

1. NGO program more idea than reality; few real resources or perhaps only single donor.
2. NGO can respond to interests of more than one donor but does so without power to shape donor program but rather the reverse.
3. Organization is able to obtain funding to support <u>its</u> program
4. In addition to managerial and financial autonomy, NGO is able to advocate to government and private sector.

SCORE:____

COMMENT:

****

CATEGORY 1 SCORE (Add and divide by 5) =

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CATEGORY 2: MANAGEMENT RESOURCES

LEADERSHIP PROFILE

1. Leadership emanates from founder or key individual
2. Leadership from key person and one or two board members
3. Leadership increasing comes from board in combination with ExDIR and some of his/her key staff.
4. Leadership casts wide net for input before institutional decisions taken.

SCORE:_____

COMMENT:

DECISION-MAKING

1. Decisions by CEO
2. CEO and Board, some senior staff
3. CEO etc but with clear delegation to some line managers
4. Management decisions delegated throughout to appropriate levels

SCORE:_____

COMMENT:

STAFF ROLE CLARITY/PARTICIPATION IN MANAGEMENT

1. Staff roles and responsibilities unclear and fragmented
2. Staff roles clear but lack of staff or training still leaves fragmentation
3. Staff clear on and participating in most management functions
4. Staff clear, managing in depth and able to take role to shape the way they participate in management

SCORE:_____

COMMENT:

INTERNAL **COMMUNICATIONS**

1. Poor intrastaff communication/few meaningful meetings
2. Modest amount of staff intercommunications, some effective meetings

59

3. Communications open and inter-hierarchical
4. NGO periodically reviews communication flow to ensure free flow of information

SCORE:_____

COMMENT:

PLANNING

1. Predominately ad hoc and incremental
2. Organized, structured around Mission, fairly wide staff participation
3. Annual planning, mid or long term strategic plan dictates, board-staff and perhaps beneficiaries involved, plans relate specific resources to accomplish objectives
4. All of above plus further sophistication: eg. data gathered and analyzed to track progress, annual plans continue as operative instruments, updated, permit accurate budgeting, are regularly modified

SCORE:_____

COMMENT:

EVALUATION

1. No formal evaluation mechanisms, word of mouth and "gut" feelings are used. No data from beneficiaries or client
2. Occasional evaluations usually at request of donor usually executed by outsiders
3. Evaluation part of normal operations for all key activities, data collected, staff involved meaningfully/formal mechanisms exist for beneficiary and client feedback...however not all management decision are taken based on eval, M & E still isolated management function.
4. Monitoring and evaluation data and info integrated into decision making.

SCORE:_____

COMMENT:

90

MANAGEMENT SYSTEMS 1--PERSONNEL

1. No formal personnel systems (job descriptions, recruitment and firing procedures) exist.
2. Some but not all necessary personnel systems exist. Informal employment practices persist.
3. Virtually all necessary personnel systems are institutionalized but occasionally informal mechanisms used.
4. Formal personnel systems are institutionalized, understood by employees, and redress can be pursued.

SCORE:_____

COMMENT:

MANAGEMENT SYSTEMS 2--FILES

1. No formal file systems
2. Files are maintained, but are not comprehensive or coherent throughout NGO.
3. Files are systematic, accessible, but significant gaps remain.
4. Files are comprehensive and accessible.

SCORE:____

COMMENT:

MANAGEMENT SYSTEMS 3--ADMINISTRATION

1. Few administrative procedures formalized.
2. Admin procedures beginning to take form but no operating manuals available.
3. Admin manuals are in use but not up to date or considered the full source of information on procedures.
4. Administrative manual updated, as needed. Considered the arbiter of procedures.

SCORE:_____

COMMENT:

****

CATEGORY 2 SCORE (Add and divide by 9) =

****

91

CATEGORY 3 HUMAN RESOURCES

STAFF SKILLS

1. Too few people filling too broad a range of technical skills. Staff not fully capable of providing skills required for their positions.
2. Staff able to cover most areas. Specialist sometimes brought in for key skill areas, such as accounting and fundraising or tech areas. Some gaps remain.
3. All core skill areas covered. Some key staff recognized for excellence outside organization.
4. All skill areas covered and capacity exists to contract our for other needed skills. Staff could move for higher paying employment but often refuse offers.

SCORE:_____

COMMENT:

STAFF DEVELOPMENT

1. No conscious human resources development strategy or practice,
2. Coaching, some on-the-job training and some participation in outside course or workshops.
3. Staff development needs assessed, partial action plan for staff development, performance appraisal formalized but skills not included in appraisal.
4. Professional development considered part of job performance, employees participate in personal objective setting. Training opportunities available to staff as far as resource permit.

SCORE:_____

COMMENT:

****

CATEGORY 3 SCORE (Add and divide by 9) =

****

92

CATEGORY 4 FINANCIAL RESOURCES

FINANCIAL REPORTING

1. Financial reports incomplete and difficult to understand. NGO often needs prodding to produce reports.
2. Reports clearer but still incomplete. Usually timely.
3. Financial reports clear and complete, even as portfolio becomes more complex.
4. Reports and data system can quickly provide a sense of financial health. Reports are always timely and trusted.

SCORE:_____

COMMENT:

BUDGETING

1. Budgets are not used as management tool.
2. Budgets are developed for project activities, but are often underspent or overspent by more than 20%.
3. Expenditures usually near within budget or divergences noted and explained to management or donors.
4. Budgets are integral part of project management and are adjusted as project implementation warrants.

SCORE:_____

COMMENT:

FINANCIAL CONTROLS

1. Few clear procedures for handling payables and receivables.
2. Financial controls exist, but lack systematic office procedures.
3. Improved financial control systems.
4. Excellent cash controls for payables and receivables and established budget procedures.

SCORE:_____

COMMENT:

AUDITS

1. Audits not performed.
2. External audits rarely performed.
3. External audits performed frequently but aperiodically.
4. Audits regular, and at appropriate frequency.

SCORE:_____

COMMENT:

FINANCIAL VULNERABILITY

1. Financing comes from only one source.
2. From multiple sources, but 90% or more from one source.
3. No single source of funding provides more than 60% of funding.
4. No single source of funding provides more than 25% of funding.

SCORE:_____

COMMENT:

UNRESTRICTED INCOME

1. Local fundraising (including goods and services) for operational income is untried or unsuccessful

exist.

4. All projects have long-term funding plans and current funds are adequate to meet needs of management plan.

SCORE:_____

COMMENT:

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CATEGORY 4 SCORE (Add and divide by 7) =

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CATEGORY 5 EXTERNAL RESOURCES

IMAGE IN COMMUNITY

1. Organization is little known outside the range of direct collaborators.
2. Organization known in its sector of operations, but little is done to promote its activities to public and key decision-makers.
3. NGO has limited contact with key decisionmakers and limited lines of communication with public.
4. Organization and its work well known to public and policy-makers. With latter, able to dialogue policy. NGO has loyal constituency and commands respect outside the constituency.

SCORE:_____

COMMENT:

ABILITY TO WORK WITH LOCAL COMMUNITIES

1. Work is centered around small area or is based on top down approach.
2. Work is focused on field, and NGO is viewed as ally of community (ies).
3. Community input is solicited key decisions. NGO and efforts viewed as service provided to community.
4. Community input integrated into most management considerations. Organization viewed as community resource.

SCORE:_____

COMMENT:

ABILITY TO WORK WITH GOVERNMENT

1. Viewed as "we" and "they." Or maintains studied neutrality.
2. Relations are proper or friendly. Collaboration occasionally occurs on specific tasks and projects.
3. Collaboration is frequent, usually informal. Relations friendly, but unbalanced.
4. Formal mechanisms exist for collaboration and are often used. Relations as full partners.

SCORE:_____

COMMENT:

NETWORKING WITH OTHER NGOS

1. Little experience. Quite independent and alone. Not known or trusted within NGO community.
2. NGO increasingly known, exchanging some information but not really involved in collaboration.
3. Collaboration is frequent, usually informal. Idea of sharing seen as friendly, useful and sought. Member of various councils and fora.
4. Organization involved or leader in promoting NGO coalitions or collaborative projects and supports other NGOs and interested in seeing other NGO-NGO or NGO-government interaction.

SCORE:_____

COMMENT:

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CATEGORY 5 SCORE (Add and divide by 4) =

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91

ANNEX F

ANNEX F

TYPES OF ACTIVITIES POSSIBLE UNDER OPTIONS 1

Training-this includes project grants for training seminars run by a Kenyan NGO or by a foreign organization, scholarships to attend training overseas or training in Kenya, and study tours. Fair game would be training in management development, gender awareness, computer skills, agricultural methods, craft production and disaster.

Research-this includes studies contracted with NGOs and individuals on issues such as financial self-reliance and indigenization, land issues, credit, disaster, and data bases or directories.

Technical Assistance-this includes assistance provided to individual support organizations and NGOs to strengthen particular areas of their operations. They include installation of computer systems, preparation of budgets, business plans and project proposals, evaluations of programs.

Development Support Communications-this includes publication of books, sponsored research, directories, pamphlets and flip charts as well as of slide sets and videos.

Demonstration Projects-these were provided to individual organizations to try out innovations in programming, training or technology. The support was also to demonstrate an NGO's achievements at a practical and policy level so other NGOs may learn from them. They include craft production upgrading for foreign markets, agro-forestry models, land issues, participatory video and aquaculture or pond fishing.

Core Funding - this includes bridging grants and funding for equipment and administrative overheads of consortia or support organizations committed all or a part of their activities to their NGO membership or helping smaller NGOs. Some portion of this activity could support the NGO Council or similar consortia.

ANNEX G

PVO CO–FINANCING PROJECT TRAINING PARTICIPANTS

	NAME	ORGANIZATION	COURSE	COUNTRY	SEX	STATUS	SECTOR	COST
1.	ABOK ALICE*	YWCA	WIM	US	F	RETURNED	MGMT	$9,890.00
2.	ABOLI ALBERT*	MANOR	AGR DEV	US	M	RETURNED	AGR	$10,000.00
3.	ARUM GILBERT	KENGO	FORESTRY	WRI	M	RETURNED	ENVIRON.	$9,940.00
4.	ARUWA B.	CISS	AGR DEV	US	M	RETURNED	AGR	$8,044.00
5.	GITHAIGA J.*	WV	NUTRITION	U.S.	F	RETURNED	HEALTH	$12,000.00
6.	KARABA PEACE*	THI	BA	US	F	RETURNED	SED	$12,698.00
7.	KARINGE PETER	KENGO	SP	US	M	RETURNED	ENVIRON.	$4,600.00
8.	KINOTI LUKE	NCCK	PRJ MGMT	US	M	RETURNED	PE	$7,000.00
9.	KOECH LAZARUS	CISS	HE	BOSTON	M	RETURNED	HEALTH	$15,478.00
10.	KOYIET JOAN	AMREF	SUP&EVAL	US	F	RETURNED	HEALTH	$11,720.00
11.	LWENYA C.	NHOSPICE	HOSPICE MGT	VIRGINIA	F	RETURNED	HEALTH	$9,521.00
12.	MAINA PAUL*	FSK	FT	MICHIGAN	M	RETURNED	AGR	$8,500.00
13.	MBUTHI G.*	TECHNOSERVE	ACR MGMT	SWAZILAND	M	RETURNED	AGR	$6,060.00
14.	MOKAYA PETER	SDA	MGMT	US	M	RETURNED	HEALTH	$9,414.00
15.	MUGUIYI I.	KENGO	M & E	US	F	RETURNED	ENVIRON.	$9,880.00
16.	MUNAI JACOB	EAWS	TM	US	M	RETURNED	CONSERV.	$8,044.00
17.	M. MBURIA*	CHOG.	HRD	US	M	RETURNED	HEALTH	$13,000.00
18.	MUTUA M.*	KFFHC	MGMT	US	F	RETURNED	HEALTH	$7,850.00
19.	M. ROSALIA	MYWO	FP	US	F	RETURNED	HEALTH	$10,384.00
20.	MWAMODO M.*	MKOMANI	FM	US	F	RETURNED	HEALTH	$9,087.00
21.	NDIRITU A.	CRS	PM	US	F	RETURNED	HEALTH	$12,800.00
22.	NGULI DAVID	EAWS	PARKS MGT	BOSTON	M	RETURNED	ENVIRON.	$8,519.00
23.	NJERU B.	ADRA	MGMT	US	M	RETURNED	HEALTH	$11,500.00
24.	OBWAYA T.	CORAT	CH	NIGERIA	F	RETURNED	HEALTH	$10,420.00
25.	OKELLO M.	AMREF	MGMT	US	F	RETURNED	MGMT	$9,087.00
26.	ONGANGA F.	EAWS	PARKS MGT	U.S.	M	RETURNED	ENVIRON.	$8,519.00
27.	ORAGO F.	KCO	TOT	THAILAND	M	RETURNED	HRIGHTS	$1,478.00
28.	OTUNGA R.	AMREF	CH	US	F	RETURNED	HEALTH	$10,420.00
29.	OSSOME B.	WAMAMA	S&EVAL	US	F	RETURNED	MGMT	$9,890.00
30.	OWITI JUDITH	AHS	FP	US	F	RETURNED	HEALTH	$5,000.00
31.	RAINI HELEN*	CHOG.	PH	US	F	RETURNED	HEALTH	$10,200.00
32.	SIKA MOSES	CRS	MGMT	US	M	RETURNED	HEALTH	$7,200.00
33.	WAFULA ALICE	KENGO	INF TECH	US	F	RETURNED	ENVIRON.	$8,500.00
34.	WEREGAI ERIC*	MANOR	AGR. DEV	SWAZILAND	M	IN TRAINING	AGR	$5,800.00
35.	WACHIRA IRENE*	CHOG.	ADMIN.	US	F	IN TRAINING	ADMIN.	$15,000.00
36.	MUTHURI F.*	WV	HC	BOSTON	F	IN TRAINING	HEALTH	$12,000.00
37.	ITUMO M.	KWAHO	MGMT	ATLANTA	F	RETURNED	MGMT	$12,000.00
38.	MAINA W.*	FSK	PRJ MGMT	U.S.	M	RETURNED	AGR	$13,707.00
39.	NYONGESA J.*	PFP	WIM	U.S.	F	RETURNED	CD	$16,000.00
40.	MUKUI H.	FSK	MGMT	U.S.	F	CANCELLED	HEALTH	
41.	ONDURU M.	CCF	H/MGMT	U.S.	M	RETURNED	HEALTH	$15,500.00
42	MAINA K.	CRS	H/MGMT	U.S.	M	CANCELLED	HEALTH	
43.	OLEMBO N.*	CHAK	H/MGMT	U.S.	M	CANCELLED	HEALTH	
44.	OCHOLLA P.	AMREF	H/MGMT	U.S	F	RETURNED	HEALTH	$13,465.00
45.	KARANJA P.*	CITC	MGMT	U.S.	M	RETURNED	MGMT	$27,552.00
46.	WANJIKU M.	KERWA	H/MGMT	U.S.	F	RETURNED	MGMT	$27,552.00

*PARTICIPANTS FROM NGOS WHO ARE GRANTEES/TA RECIPIENTS UNDER PVO CO–FI PROJECT

25 FROM NON PVO CO–FI FUNDED ALTHOUGH 8 OF THESE
ARE FROM NGOS THAT HAVE BEEN FUNDED BY USAID SOMETIME

ANNEX H

ANNEX

PVO CO FI EXPENDITURES AS AT 10/30/94

	BUDGET (89 ORIGINAL)	BUDGET 91/92	OBLIGATION (usaid)	EXPENDITURE	BALANCE (AS AT 10/30/94)	START DATE	PACD
GRANTS							
TECHNOSERVE			$236,253	$203,952	$32,301	4-89	9-90
SAWSO			$321,300	$321,300	$0	9-89	8-92
KFFHC			$217,800	$163,505	$54,295	9-89	8-92
PLAN I			$330,000	$326,935	$3,065	9-89	8-91
TENWEK			$252,100	$150,440	$101,660	9-89	8-92
CHOGORIA			$319,800	$318,891	$909	9-89	8-91
AWF			$164,000	$138,490	$25,510	9-89	4-92
VITA/CITC			$332,829	$302,340	$30,489	8-90	7-94
FSK (K)			$324,100	$236,495	$87,605	8-90	7-94
YWCA			$335,000	$186,943	$148,057	9-91	8-94
CID			$334,000	$334,000	$0	8-91	8-93
WORLD VISION			$335,000	$273,346	$61,654	9-91	8-94
THI			$330,000	$93,891	$236,109	8-92	4-95
CHAK			$167,000	$84,983	$82,017	8-92'	4-95
SAIDIA			$120,000	$79,215	$40,785	4-93	3-95
CRWRC			$320,000	$162,594	$157,406	5-93	3-95
PLAN II			$109,655	$10,956	$98,699	6-93	3-95
CARE			$80,208	$0	$80,208	7-94	4-95
KFFHC II			$120,776	$0	$120,776	7-94	4-95
SALTLICK			$184,040	$78,921	$105,119	7-94	4-95
TENWEK II			$122,100	$2,441	$119,659	7-94	4-95
SAWSO II			$88,430	$0	$88,430	8-94	4-95
TOTAL GRANTS	$8,125,000		$5,144,391	$3,469,638	$1,674,753		
TRAINING	$600,000		$484,397	$462,842	$21,555		4/95
PROJECT MANAGEMENT	$825,000		$566,966	$385,018	$181,948		4/95
(salaries & equipment)					$0		
CONTRACTS (TA)	$980,000		$105,258	$89,281	$15,977		4/95
WORKSHOPS	$25,000		$36,880	$33,415	$3,465		4/95
Audits/Evaluations	$150,000						
Contigencies	$295,000				$0		
TOTAL	$11,000,000	$7,500,000	$6,337,892	$4,440,194	$1,897,698		

ANNEX I

ANNEX

PVO CO-FINANCING PROJECT (0236) CONCEPT PAPERS/PROPOSALS

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	*
1. Technoserve Inc.	Mala Milk Project		4/89	4/89	Approved	
2. Nairobi Youth Players	Youth Awareness by Share		6/89	8/89	Rejected	
3. Wildlife Clubs of Kenya	Wildlife Project		1/89	2/89	Rejected	Reg.
4. Evangelical Fellowship	Nyalunga Comm. Agr. Project		1/89	2/89	Rejected	Reg.
5. Foundation for Enterp. F	Enterprise Dev./Env. Conservation		1/89	2/89	Rejected	Reg.
6. PACT	Consortium Strengthening Prj.		6/89	8/89	Rejected	PVO team
7. Catholic Relief Services	South Nyanza H/Water Prj.		6/89	8/89	NGO declined	
8. Kenya Conservation Trust	Kitengela Cons. Kenya		11/89	1/90	Rejected	Reg. & Agr.
9. Project Reach	Harambee Nursery School		1/89	2/89	Rejected	PVO team
10. KWAHO	Women in Development		1/89	2/89	Rejected	PVO team
11. St. Julian's Centre	Creation of a Rural Human Resource Centre		4/89	8/89	Rejected	PVO team

* If rejected: by whom or why.

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
12. Friends of Conservation	WWF/FOC Mara Area Conserv.		10/89	12/89	Rejected	Reg. Agr.
13. Public Law Institute	Public Interest Legal Prj.		10/89	4/90	Rejected	PVO team
14. EAWS	Wildlife & Forest Ext.		6/89	7/89	Rejected	PVO team
15. Wamama African R. Inst.	Youth Training in Kakamega		5/89	6/89	Rejected	PVO team
16. The Green Belt Movement	Tree Planting Project		4/89	5/89	Rejected	Reg. PVO team
17. Tenwek Hospital	Community Based Health Project		4/89	7/89	Approved	
18. Kenya Freedom From Hunger	Embu Applied Nutrition		4/89	7/89	Approved	
19. African Wildlife Foundation	"Uvumbuzi" - Development of Kenya Conservation Org.		4/89	7/89	Approved	
20. KENGO	Conservation of Bio-diversity in Kenya Ecosystems		8/90	10/90	Rejected	Reg.
21. Materi Girls	Women's Training Inst.		9/90	9/90	Rejected	Reg.
22. Kenya Workers Relief Ass.	Unemployment Relief Service		5/90	6/90	Rejected	Reg. PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
23. Christian Mission Aid	Olooltepes Agroforestly and Oxen utilization		6/90	7/90	Rejected	
24. PCEA Chogoria Hospital	Long Term Development of Chogoria Hospital		4/89	7/89	Approved	
25. PLAN International	Water Availability Project					
26. Salvation Army	Home League Health Education Project					
27. Farming Systems (K) Ltd.	Farming Systems		10/89	5/90	Approved	
28. VITA/CITC	Business Management Trng/Income Generation		4/89	6/90	Approved	
29. YWCA	Partnership to enhance Women's Partnership in Dev.		12/90	6/91	Approved	
30. Nature's Way	Entrepreneurship		11/91	3/92	Rejected	PEO
31. Cheney University						PHD
32. Project Concern International	Saradidi Rural Health Program		10/91	2/92	Rejected	PHD
33. YMCA	Development Support for Vocational Training Centres		19/91	2/92	Rejected	PVO team PEO
34. VADA	Strengthening Participatory M & E Capacity among PVOs				Rejected	
35. Crescent Medical Aid	Primary Health Care - Malindi		3/92	5/92	Rejected	PHD

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ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
36. Mwangaza	The Skills Training Centre for School - Leavers		11/92	12/92	Rejected	PVO team
37. ARTES	Employment Service		11/92	12/92	Rejected	PVO team
38. SALTLICK	Pastoralist Training		4/93	5/93		
39. CARE	Employment Creation for Youth		9/93			
40. CHAK	Histopathological Services		7/92	7/92	Approved	
41. Tototo Home Industries	Training for Enterprise Dev. and sustainability		7/92	7/92	Approved	
42. CRWRC	Institutional Strengthening of Kenyan National Partners		3/93	5/93	Approved	
43. SAIDIA	Sustainable Community Development in Samburu		11/92	1/93	Approved	
44. PLAN II	Community mobilization and training for Sus.		6/93	7/93	Approved	
45. Salvation Army II	Family Health Project		6/93	6/93		
46. Kenya Freedom From Hunger	Embu Applied Nutrition		4/93	2/93		
47. World View International	Training for Transformation		4/93			Agr.
48. EcoNews	The Global Link		5/93			PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
49. CPK	Jehova Jireh Christian Home for Street Children		6/93			PVO team
50. Kilimani Destitute Children			6/93			PVO team
51. World Ass. of Soil Conservation	The Organic Matter Management Network		5/93	6/93		PVO /Agr
52. Jaribu Productions	An Inside Look		7/93			PVO team
53. Kenya Women Finance Trust	Women Entrepreneurs Training, Revolving Loan Scheme		1/93			Reg.
54. Partnership for Productivity	Technical Assistance Request		4/93			Reg.
55. Rehema Integrated Community	Integrated Community Dev. and Training System		8/93			PVO team
56. Tunyai Community	Food Security		8/93			PVO team
57. Neema Welfare Ass.	Self Help Group		9/93			PVO team
58. K/Entrepreneurs Promotion	Jua Kali Promotion		9/93			PVO team
59. Mt. Kulal Biosphere Research	Research		10/93			PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
60. ACHIEVE	Mukurwe-ini Community		10/93			PVO team
61 Peace Foundation (Africa)	Community Development		11/93			PVO team
62. KENDAT	Kenya Network Technology		12/93			PVO team
63. Child Welfare Society	Children Home		11/93			PVO team
64. Wood Carving Industry	Sustainable Development		11/93			PVO team
65. African Water Network						PVO team
66. St. Rita Self Help Group						PVO team
67. SESI						PVO team
68. Rangwe Literacy	Community Development					PVO team
69. Upendo Street Children						PVO team
70. ITAKEN	Empowerment of Rural Women					PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
71. Giants Hearing Centre						PVO team
72. Personal Development for Women						PVO team
73. Amesbury for Africa						PVO team
74. Crescent of Hope						PVO team
75. Private Development Consultancy	Ndiwa Multipurpose Development					PVO team
76. Kikuyu Eye Clinic						PVO team
77. DUCAPA	Kaviyuni Water Project					PVO team
78. SBEDA	Consultancy					PVO team
79. Tenwek Hospital II						
80. CARE (K)						
81. Inter. Craftsmen Ltd	Youth Employment					PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
82. Christian Mission Aid	Kajiado Agro-Forestry					Reg.
83. Bellevue Foundation						PVO team
84. African Water Network						PVO team
85. Laura Vicuna Girls	Socio-Promotion					PVO team
86. YMCA	National Health		1992			PED
87. Tsavo West Community	Conservation		1993			Agr.
88. WWF Conservation	Mara area Conservation		1993			Agr.
89. Food for the Hungry	Marsabit District 1. Project		1993			PHD
90. Women's Enterprises Development	Community Loans		1992			PVO team
91. Kavete Water & Soil Conservation	Conservation		1993			PVO team
92. Ambassadors Dev. Agency			1993			PVO team
93. East African Wildlife	Tana River Forest Ext.		1992			PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
94. Kenya Red Cross	Kawangware Youth Centre		1992			PVO team
95. KFFH II	Applied Nutrition		1994		Approved	
96. SALTLICK			1994		Approved	
97. Salvation Army II			1994		Approved	
98. Motomo Technical Centre			1993			Reg.
99. Tach Asis Catholic Mission	Livestock Improvement		1993			PVO team
100. A. Refugee Training	Employment		1994			PVO team
101. AMREF	Research		1993			PVO team
102. ACCE	Theatre for Dev. in Youth		1994			PVO team
103. Mihang'o Women's Group	Income Generation		1994			PVO team
104. PEDC Ltd.	Rural Development		1994			PVO team
105. Health Scout Movement	Youth Awareness		1994			PVO team

ORGANIZATION	TITLE	SECTOR	SUBM.	REV.	COMMENTS	
106. Laikipia Craftsmen	Youth Employment		1994			PVO team
107. St. John's Community Centre	Income Generation		1994			PVO team
108. ICA	Grassroot Training		1994			PVO team
109. K. Music & Cultural Centre			1994			PVO team
110. NCCK	Recovery & Rehabilitation		1994			PVO team
111. United Jordan Intern'l	Street Children R.		1994			PVO team
112. Farm Africa	Dairy Goat Project		1994			PVO team

KEY

REG - Registration reason for not supporting
AGR - Comments from agriculture office not supportive
PHD - Comments from Population and Health not supportive
PED - Comments from Private Ent. Office not supportive
PVO Team: Includes many reasons:

a) Idea "off the wall"
b) NGO gave up
c) Foresaw difficulties in registration